United Nations A/58/7/Add.8

General Assembly

Distr.: General
12 November 2003

Original: English

Fifty-eighth session
Agenda items 12, 120 and 121

Report of the Economic and Social Council

Programme budget for the biennium 2002-2003

Proposed programme budget for the biennium 2004-2005

Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2003

Ninth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2003 (A/C.5/58/10). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The revised estimates relate to a series of Economic and Social Council resolutions and decisions outlined in the Secretary-General's report. The Secretary-General indicated that the programme budget implications of Economic and Social Council resolution 2003/57, Revitalization and strengthening of the United Nations International Research and Training Institute for the Advancement of Women, is the subject of a separate report to the fifty-eighth session of the General Assembly.

3. As indicated in paragraph 49 of the report (A/C.5/58/10), the implications of resolutions and decisions adopted by the Economic and Social Council at its substantive session of 2003 would give rise to estimated requirements of $2,040,400, of which $1,197,700 could be absorbed either within the 2002-2003 or the 2004-2005 bienniums. The remaining requirements of $842,700 for the biennium 2004-2005 would be subject to the procedures established by the General Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987 for the operation of the contingency fund. **Accordingly, the Advisory Committee recommends that the Fifth Committee take note of the estimate of $842,700, on the understanding that such appropriations as may be**

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necessary will be requested by the Secretary-General in the context of a consolidated statement of programme budget implications and revised estimates to be submitted to the General Assembly. The Committee points out that, should the General Assembly decide to proceed with the scheduling possibilities outlined in paragraph 30 of the Secretary-General's report (A/C.5/58/10), appropriation requirements for 2004-2005 would amount to $616,500 rather than $842,700 (A/C.5/58/10, para. 54).

United Nations A/58/7/Add.9

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Programme budget for the biennium 2002-2003

Proposed programme budget for the biennium 2004-2005

Administrative expenses of the United Nations Joint Staff Pension Fund

Tenth report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Standing Committee of the United Nations Joint Staff Pension Board on the administrative expenses of the United Nations Joint Staff Pension Fund (A/58/214 and Corr.1). During its consideration of the report, the Committee met with the Chairman of the Standing Committee, the Chief Executive Officer of the Fund and the representative of the Secretary-General for the investments of the Fund. The Advisory Committee also met with the Under-Secretary-General for Internal Oversight Services on questions related to the Fund's internal audit arrangements.

2. The report of the Standing Committee of the United Nations Joint Staff Pension Fund is submitted pursuant to the decisions of the General Assembly contained in its resolution 46/220 of 20 December 1991. The report includes the revised estimates and performance report for the biennium 2002-2003, the proposed budget estimates for the biennium 2004-2005 and a request for authorization to supplement voluntary contributions to the Emergency Fund for the biennium 2004-2005 by an amount not exceeding $200,000.

3. **The Advisory Committee notes the improvement in presentation of the budget document, compared with the previous budget submission. Nevertheless, the Committee trusts that efforts will be made to further streamline and improve the report. For example, information in section III, "Summary of resource requirements for the biennium 2004-2005", and section IV, "Budget estimates for the biennium 2004-2005", should be streamlined and combined into a single section of the budget document. Table 2**

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in section IV of the budget submission should be replaced with the current table 23 (see A/58/214, sect. V), which should contain the grand total for the table. The current table 3 should also contain the grand total. Tables 24, 25 and 26 (ibid.) duplicate, to a large degree, information contained in table 3 and could therefore be dispensed with. Instead, the proposed staffing structure for each unit should be reflected in the organization chart of the Fund secretariat and the Investment Management Service. The budget document should also differentiate more clearly between requests for temporary posts and requests for general temporary assistance. For example, table 8 of the budget document (see A/58/214, sect. IV) shows an increase of one post (from 44 to 45), while the justification for the increase in paragraph 57 is given for 24 additional work months of general temporary assistance.

II. Revised budget estimates and performance report for the biennium 2002-2003

4. The Standing Committee approved the submission to the General Assembly of the revised estimates for expenses chargeable to the Fund for the biennium 2002-2003 amounting to $80,278,200, representing a net reduction of $5,114,500, as compared with the appropriations of $85,392,700 (see A/58/214, para. 9). However, the possible reduction in the revised budget estimates for the biennium 2002-2003 might be partially offset by expenditures for furniture and fittings in connection with the relocation of the Fund secretariat, including the Investment Management Service, to premises outside the United Nations Secretariat building (see A/58/214, annex I.A, para. 1), if those expenditures are incurred in 2003. The Advisory Committee was informed, upon enquiry, that the total costs of the relocation are being determined with the assistance of the United Nations Facilities Management Division and that the preliminary estimate for furniture and fittings is $3.8 million (see also paras. 9 and 21 and 22 below).

5. The Advisory Committee notes that the reported reduction of $5,114,500 includes, under administrative costs, an amount of $2,964,900, which will be carried over to the biennium 2004-2005 to continue funding those re-engineering projects that have been postponed due to lack of office space. The Committee requested information on the expectations and benefits related to the re-engineering projects and the breakdown of the carry-over amount of $2,964,900. The requested information is contained in annex I to the present report. The Committee also sought clarification regarding two projects (knowledge management system and ethernet migration), the funding for which is included in the carry-over amount, although they are scheduled for completion in December 2003. The secretariat provided the following clarification:

> "The United Nations Joint Staff Pension Fund expects to use the remaining funding for these projects to conduct a post-implementation review in accordance with the Fund's systems development methodology, phase seven, which has been employed in each re-engineering project. The post-implementation review phase of the project requires that the full project team remain in place, albeit part time, to monitor the system for a period of up to three months after deployment. At the conclusion of this phase, the

maintenance team will assume full responsibility for the remaining life of the system."

6. As indicated in the report of the Standing Committee (A/58/214, table 1 and para. 9), savings in the amount of $2,149,600, realized under investment costs, relate to contractual services. The Advisory Committee was informed, upon enquiry, that the savings resulted mainly from lower fees for small capitalization account managers, which were negotiated under new contracts effective 1 January 2002. When estimates for the 2002-2003 biennium were submitted for approval, negotiations on new fees had not yet been finalized. Part of the savings also resulted from a decline in the market value of the Fund. Fees paid to discretionary managers are based on basis points of the market value of the portion of the Fund that they manage.

III. Proposed budget for the biennium 2004-2005

7. The proposed budget of the Fund for the biennium 2004-2005 amounts to $91,214,700 (before recosting), comprising administrative costs of $47,147,900, investment costs of $42,407,000 and audit costs of $1,659,800. The proposed budget includes the Pension Fund share of $78,007,000 and the United Nations share of $13,207,700 (see A/58/214, table 2). In addition, extrabudgetary resources of $623,100 are projected for the Fund for the biennium 2004-2005.

8. The estimate of $47,147,900 (before recosting) for administrative costs for the biennium 2004-2005 represents resource growth of $6,328,500, including 3 per cent of real growth, as compared to the appropriation of $40,819,400 for 2002-2003 (see A/58/214, table 2). The resource growth in the proposed administrative expenditures relates, for the most part, to costs associated with the relocation of the Fund to new premises ($3,512,300), new posts and reclassifications ($1,499,300) and to bank charges ($1,430,000) that were previously reflected under investment costs.

9. With regard to the increase of $3,512,300 for relocation, the Advisory Committee notes from the budget document (A/58/214, annex I.B, para. 7 (a)) that the Standing Committee believed that this amount would be sufficient for the move to new premises and the provision of adequate space for existing staff, with ample leeway for further expansion. The Committee was provided, upon request, with a detailed breakdown of the $3.5 million increase attributable to relocation costs, which is contained in annex II to the present report (see also paras. 21 and 22 below).

10. A total of 170 posts (160 established posts, 9 temporary posts and 1 extrabudgetary post) are projected for the Fund's administrative and investment operations for 2004-2005 (see A/58/214, table 3). A summary of post requests is also contained in the budget document (ibid.). All changes to the staffing requirements relate to the Fund's administrative operations. The secretariat has clarified, upon enquiry, that its request for an additional 24 work months of General Temporary Assistance (see A/58/214, para. 57) represents in fact a request for 1 new temporary General Service (Other level) post, reflected in tables 3, 8 and 24 of the budget document (see also para. 3 above).

11. Two reclassifications are proposed for the Office of the Chief Executive Officer (CEO): the post of Deputy CEO from D-1 to D-2; and the post of Special

Assistant to the CEO from P-4 to the P-5 level. Information relevant to the proposed reclassifications is contained in the budget document (A/58/214, paras. 25 and 26). **The Advisory Committee recommends acceptance of the proposed reclassifications.**

12. One new General Service (Other level) post is requested in the Office of Chief of Operations for a word-processing specialist responsible for updating and formatting all Pension Fund forms and training documents. Information in support of the new post is contained in paragraph 33 of the budget document. **The Advisory Committee recommends the establishment of an additional General Service (Other level) post in the Office of Chief of Operations.**

13. Under the Participation, Entitlements and Client Services Section, a proposal is made for reclassification of a G-6 post to the G-7 level and for an additional temporary General Service (Other level) post. Information relevant to this proposal is contained in the budget document (A/58/214, paras. 56 and 57). **The Advisory Committee recommends approval of the proposed reclassification and establishment of an additional temporary General Service (Other level) post in the Participation, Entitlements and Client Services Section.**

14. Three additional General Service (Other level) posts (two regular budget and one extrabudgetary) are requested for the Financial Services Section as follows: (a) two posts (one regular budget and one extrabudgetary) are requested for the Payments Unit; and (b) one post is requested for the Cashier Unit. Information in support of the requested posts is contained in the budget document (A/58/214, paras. 91 and 102, respectively).

15. The Advisory Committee notes that with the addition of one regular budget General Service (Other level) post to the Payments Unit, the Fund will be able to clear the backlog of cases related to overpayment and recovery. **The Advisory Committee recommends the establishment of an additional regular budget General Service (Other level) post for the Payments Unit.**

16. The new extrabudgetary General Service (Other level) post in the Payments Unit would deal with the processing of after-service health insurance deductions. The Advisory Committee notes that the number of subscribers to after-service health insurance has increased from just over 2,000 in 1989 to more than 20,000 as at December 2002. **The Advisory Committee has no objection to the establishment of an additional extrabudgetary General Service (Other level) post in the Payments Unit.** The secretariat clarified, upon enquiry, that the cost of this extrabudgetary post is included in the extrabudgetary estimates of $623,100 and not in the administrative costs as indicated in the budget document (A/58/214, para. 20).

17. With regard to the additional General Service (Other level) post for the Cashier Unit, the Committee notes from the budget document (A/58/214, para. 102) that the request is made in view of the increased number of beneficiaries, from 15,000 in 1980 to about 51,000 in 2002, with payments being issued to more than 190 countries. **The Advisory Committee is of the view that the reference by the secretariat to the 1980 statistics benchmark does not appear to be appropriate, since the need for additional posts should be, in principle, justified in terms of recent or anticipated programmatic and workload changes.** The Committee notes from the budget document (A/58/214, annex IV) that the number of beneficiaries increased from 48,069 in 2000 to 49,416 in 2001, or by 2.8 per cent,

and from 49,416 in 2001 to 51,028 in 2002, that is by 3.3 per cent. **The Advisory Committee does not consider this increase as a sufficient justification for an additional post. Moreover, while the Committee recognizes that the evolving nature of the banking industry worldwide and the development of worldwide payment systems have made the work of the Cashier Unit more complex, it is of the view that recent technological innovations have simplified many of the banking processes that once required complex transactions and interactions. Taking into account the above, the Advisory Committee does not recommend the establishment of an additional post in the Cashier Unit.**

18. A proposal is made, under the Information Management Systems Section, for the reclassification of a P-5 post of the Chief Information Officer to the D-1 level and the conversion of two temporary P-3 posts into established posts. Information in support of the proposal is contained in the budget document (A/58/214, paras. 154-156). **The Advisory Committee recommends approval of the requested reclassification and conversions.**

19. For the Geneva office, a proposal is made for the reclassification of the post of Chief of the Participation, Entitlements and Contributions Section from P-4 to P-5 and for the establishment of two additional posts (one P-4 for the Participation, Entitlements and Contributions Section and one P-3 for the Finance and Information Systems Section). Information in support of the proposal is contained in the budget document (A/58/214, paras. 124 and 139). According to the secretariat, the Participation, Entitlements and Contributions Section processed all benefits in less than 15 days after receipt of separation documents; in the four year from 1999 to 2002, this was done in six, nine, eight and nine calendar days, respectively. **The Advisory Committee welcomes this information and recommends approval of the requested reclassification. With regard to the new P-4 post, the Committee is of the view that the justification for the post appears to be somewhat generic and that it is not evident from the budget document what impact, if any, the addition of the post could have on the work of the Section. The Advisory Committee does not, therefore, recommend the establishment of an additional P-4 post for the Participation, Entitlements and Contributions Section.**

20. With regard to the proposed establishment of a P-3 post for the Finance and Information Systems Section, the Advisory Committee notes from the budget document (A/58/214, para. 139) that the post would enable the Section to handle the increased workload (2,900 cases of benefit processing in 2002, compared with 1,183 cases in 1999, a 145.1 per cent increase) and that the incumbent of the post would assume also other functional responsibilities, including those which would contribute to eliminating financial risks. **The Advisory Committee recommends approval of the proposed establishment of an additional P-3 post for the Finance and Information Systems Section.**

21. Information on the rental of new premises for the Fund secretariat and the Investment Management Service is contained in the budget document (A/58/214, para. 19 and annex I.C). As explained in the report, the Fund had considered moving to premises in a new 25-story building, purchased in early 2003 by the Investment Management Section as an investment, but a decision was subsequently taken not to move to the building. The Advisory Committee notes that some members of the Standing Committee expressed strong concern about the time taken to reach that decision because "it had resulted in significant financial losses for the Pension Fund

and delays in programme implementation". The Committee sought clarification with regard to the financial losses and delays in programme implementation and was informed as follows:

> "It is to be noted that paragraph 13 of annex I refers to the observations by some members of the Standing Committee that the United Nations Joint Staff Pension Fund had incurred financial losses, with a loss of rent as regards its investment return, since several floors in the building purchased by the Fund as an investment had remained vacant for a significant period, awaiting occupancy by the Fund. Additionally, work had been undertaken by consultants on the architectural and engineering design of the space, and senior managers of the Fund had spent considerable amounts of time and effort working on the assessment of requirements and the subsequent expected relocation. These delays affected the implementation of the re-engineering projects and involved additional time in developing contingency plans."

22. In this regard the Advisory Committee recalls that in its report (A/56/7/Add.1, para. 27), the Committee requested, inter alia, that it be apprised in the first instance when a firm determination is made that additional space would have to be acquired. **The Advisory Committee is of the view that financial losses and delays in programme implementation referred to in the above paragraph could have been considerably, if not entirely, avoided had the Committee been informed as requested.** Annex II to the present report contains additional information on the rental of premises for the 2002-2003 and 2004-2005 bienniums submitted by the Fund secretariat, upon request.

23. Travel requirements for 2004-2005 amount to $371,600 (before recosting) under administrative costs, reflecting an increase of $84,700, that is, 29.7 per cent compared with the approved appropriations for travel in 2002-2003 of $286,900 (see A/58/214, table 23). The Advisory Committee observes that much of the increase falls under the Office of the Chief Executive Officer ($54,700) and the Geneva office ($25,000). The Committee notes from the budget document (A/58/214, paras. 28 and 107) that the increase in travel requirements relates mainly to more frequent visits to various duty stations for pension seminars, local training and workshops. **The Advisory Committee recalls that it had expressed reservations and criticism with regard to the travel requirements of the Fund for the biennium 2002-2003, which reflected an increase of 24.5 per cent. The Committee regrets that travel requirements of the Fund still show a very significant rate of growth for the coming biennium (29.7 per cent) and reiterates its observation that it "is not convinced that the increase in the provisions for travel is fully warranted and believes some economies may be possible" (see A/56/7/Add.1, para. 28). The Committee trusts that further technological developments, such as the highly functional and up-to-date web site of the Fund, automation and computerization of manual work-types, IMIS interface and videoconferencing, contribute to reducing the travel expenditures of the Fund secretariat.**

24. As indicated in the budget document (A/58/214, table 23), audit costs (both internal and external) of the administrative and investment operations of the Fund are estimated at $1,659,800 (before recosting) for the biennium 2004-2005, reflecting resource growth of $491,600, or 38.6 per cent compared with the appropriation of $1,168,200 for the biennium 2002-2003. The total estimated audit cost of $1,659,800 comprises the cost of external audit ($483,600) and internal audit

($1,176,200). As indicated in the budget document (A/58/214, para. 197), about half of the audit costs (both internal and external) relate to administrative operations and half to investment activities; furthermore, one third of the audit costs of the Fund's administrative operations is borne by the United Nations under the cost-sharing arrangement. The increase of $58,300 under external audit relates to the estimated cost of a special audit recommended by the Advisory Committee in its 2002 report on the United Nations pension system (A/57/490) (see also paras. 26 and 27 below).

25. As regards internal audit costs, the Advisory Committee notes from the budget document (A/58/214, para. 200) that the Internal Audit Division of the Office of Internal Oversight Services (OIOS) had requested funding for two additional P-4 posts and $425,000, at 2003 rates, for additional expenses, including consultancy fees, travel and equipment, in order to be in a position to implement the comprehensive work plan. However, the Standing Committee decided that, "as from the 2004-2005 biennium, a small internal audit unit should be established within the Fund secretariat, with consultants being retained when specialized expertise was needed in any particular area. For that purpose, the budget proposals for 2004-2005 would include resources totalling $1,242,400, to cover, under general temporary assistance, two Professional posts and one General Service post, as well as sufficient funds to retain specialized experts as necessary" (see A/58/214, annex II.C, para. 10). The Committee exchanged views with representatives of the Secretary-General and the Chief Executive Officer and obtained additional information from the Under-Secretary-General for Internal Oversight Services. In the following paragraphs, the Committee has taken into account the additional information it received orally and in writing regarding internal audit services for the Fund.

26. The Advisory Committee recalls that the Board of Auditors reviewed the work performed by OIOS in 1999, 2000 and 2001 and was "pleased to acknowledge the valuable work done by OIOS in providing sound internal audit services to the Fund and to the Investment Management Service" (A/57/9, annex XII, para. 104). Furthermore, the Committee recalls that it had commented extensively on the internal audit of the Fund in its 2002 report on the United Nations pension system (A/57/490, paras. 24-26). In particular, the Committee's following observations and recommendations (ibid., para. 26) directly relate to the matter:

> **"The Committee points out that, during its review of the matter, it was not provided with any compelling argument in support of a decision to discontinue the internal audit services of the Office of Internal Oversight Services. The Committee cautions against a hasty decision on this matter. Before the current arrangement is modified, the cost-effectiveness of such a change needs to be analysed thoroughly. The Advisory Committee recommends that the Board of Auditors carry out an assessment of the capacity and professional expertise required by the Office of Internal Oversight Services to provide internal audit services to the administrative and investment activities of the Pension Fund, in accordance with commonly accepted industry standards for the audit for the biennium 2002-2003. The Board of Auditors may wish to have recourse to outside expertise for this assessment. In this connection, the Committee recalls its comments and recommendations in paragraph 13 of its report A/57/439."**

27. The Advisory Committee points out that the Board of Auditors has not yet carried out the requested assessment of the capacity and professional expertise required by OIOS to provide internal audit services to the administrative and investment activities of the Pension Fund, in accordance with commonly accepted industry standards for the audit for the biennium 2002-2003. **The Advisory Committee reiterates its view that no changes should be made either to the existing internal audit arrangements of the Fund, or to the role and mandate of OIOS, pending the Board of Auditors' assessment.**

28. **The Advisory Committee recommends that, taking into account its comments and recommendations in the paragraphs above, the revised estimates for the biennium 2002-2003 be approved in the amount of $80,278,200 (subject to what is stated in para. 4 above) and that the proposed budget for the biennium 2004-2005 for the administrative expenses of the Fund be approved in the amount of $94,685,200. The latter amount represents a reduction of $394,100, which reflects the reduction of one P-4 post (see para. 19 above) and one General Service (Other level) post (see para. 17 above). Furthermore, the Committee has no objection to the proposal by the Standing Committee to supplement the voluntary contributions to the Emergency Fund by an amount not exceeding $200,000 for the biennium 2004-2005 (see A/58/214, paras. 201-203).**

Annex I

Note for the Advisory Committee on Administrative and Budgetary Questions regarding expectations of the United Nations Joint Staff Pension Fund regarding re-engineering projects

1. As a result of the discussions held with the Advisory Committee on Administrative and Budgetary Questions on 22 October 2003, the United Nations Joint Staff Pension Fund has been requested to provide a summary of its expectations regarding re-engineering projects. The re-engineering projects of the Fund can be classified into three categories; infrastructure, productivity and information dissemination. Projects in each category add value to the operation in different ways.

2. **Infrastructure projects** are normally completed before implementation of productivity-based projects, but some overlap is possible. It is important to maintain an acceptable risk-free level of service while creating the foundation for productivity enhancing applications. The Fund is actively working to complete the following infrastructure projects:

3. **Information security system**: The Fund will establish an enterprise-wide security policy on its physical infrastructure, which will be centrally administered across multiple systems. Features such as data encryption and authorization will be supported to ensure the confidentiality and integrity of information, as well as to enhance the Fund's security environment to accommodate the exchange of information over the Internet, since the risk of intrusion is magnified once web applications are made available to all participants and beneficiaries.

4. This is an infrastructure enhancement project and does not provide productivity or quality of service returns. The benefits are considered as risk avoidance.

5. **Ethernet migration**: The Fund's existing network topology (Token Ring) will soon be phased out as a supported product by the manufacturer. Although this technology has served the Fund well for over 10 years, we must migrate to Ethernet, which is now the accepted industry standard. Since this conversion will require the purchase of new hardware and software, it will be necessary to reconfigure each device connected to the Fund's substantial network.

6. This is also an infrastructure enhancement project and will not provide productivity or quality of service returns. The benefit of this project should be classified as risk avoidance.

7. **Workflow system upgrade**: The Fund's current workflow system must be upgraded to a newer version, involving significant changes to the underlying application code. These programmes were previously customized to meet the needs of the Fund's complex business process. The new version will contain enhanced features, which will be integrated with the data warehouse system and web applications.

8. The Fund has been informed by the manufacturer of the workflow software product currently in use that all customers must upgrade to the new version of the

product or risk loss of support from the vendor. The fund relies on the workflow system to trace pension cases and store documents electronically. Disruption of service would carry serious consequences for productivity, quality and timeliness of service.

9. This is an infrastructure enhancement project, but it will also provide productivity and quality of service returns over the longer term, once the system is integrated with the data warehouse and web-enabling applications. The benefits over the short term should be classified as risk avoidance.

10. **Knowledge management system**: The knowledge management system will provide a facility to identify and consolidate all relevant policy, procedural and operational material into a database and make it readily available to the staff of the Fund and its member organizations. The system will offer collaboration functionality and permit the capture, assignment, retention and display of objects (e-mail, voicemail, groupware and video). Advance features, including bulletin boards, frequently asked questions, integrated workflow, online document editing (text and graphics), hyperlinks to other sources, intelligent search engines and the integration of other databases, will be present in the underlying system infrastructure.

11. The Fund's operations have become more complex in recent years, due in large part to frequent changes in procedures and rules, often based on decisions reached in the Pension Board and its Standing Committee and the General Assembly. The risk of error in benefit calculation and payment processing increases when these changes become effective. A central repository containing historical material would help to ensure that staff have a comprehensive understanding of processing practices.

12. This is an infrastructure enhancement project, but it will also provide productivity and quality of service improvements over the longer term. The immediate benefit, however, should be classified as risk avoidance.

13. **Storage area network**: As a consequence of the continuing increase in the volume of data collected from member organizations, participants and beneficiaries, it is recommended that a central repository for data storage be created. Storage area network technology provides a platform for storing large amounts of information, which is centrally managed and accessible over high-speed networks. As a result, the Fund will have greater control over data access and distribution, enhancing security and further protecting the confidentiality of sensitive information. The proposed data warehouse would physically reside in the storage area network and would benefit from improvements in access timeliness. Data backup and recovery activities, which can be automatically invoked, will also be streamlined.

14. Integrated data storage on a central repository will improve access to data and decrease the risk of data loss. Centralized control of data import and distribution will improve security and protect the privacy of sensitive information.

15. This is an infrastructure enhancement project and does not immediately provide productivity or quality of service returns. The benefits are classified as risk avoidance.

16. **Productivity enhancing** projects provide opportunities to reduce or avoid future costs and improve the quality of service to participants, beneficiaries and member organizations. They provide the automation necessary to have a material

effect on the Fund's key business processes. The Fund's primary productivity enhancing re-engineering project is the data collection system described below.

17. **Data collection system**: The volume of paper-based transaction information has increased significantly over the past several years. Automated linkages to the member organizations will significantly reduce the manual processing effort and will, in turn, provide performance, productivity and quality-of-service improvements. Failure to implement this project may result in backlogs and possibly require additional staff resources.

18. The data collection system is a series of programmes that permit the sharing of data between member organizations and the Fund. Each subsystem is customized to accommodate the computing environment of the particular member organization, taking into consideration its unique business rules.

19. Those United Nations organizations and specialized agencies that share common personnel and finance systems will also share a common Pension Fund application system template, which can be modified as necessary. Representatives from the Information Management Systems Service will work with the information technology staff from the member organizations to design, develop, test and maintain the applications once the project begins. This is a labour-intensive effort, which requires consulting resources to develop the necessary integrated systems (for example, the United Nations Integrated Management Information System interface).

20. As a result of the Fund's process re-engineering and technical assessment studies, opportunities for productivity and quality of service improvements were identified. As noted in the report of the Standing Committee of the Fund (A/58/214, para. 13):

> "The Fund will need to have additional resources in place in order to deal with the increased activities associated with the overall growth in the number of participants and beneficiaries. The requirements for new posts (biennium 2004-2005), which are needed to deal with such growth in workloads, have been kept at a minimum level, through major changes in administrative processes and expected increasing reliance on information technology. This is the case with the Participation, Entitlements and Client Services Section in New York (formerly the Pension Entitlements Section), by far the largest section of the Fund, where recent process improvements have yielded productivity gains and where further gains are expected once computerization of manual work-types and the Integrated Management Information System (IMIS) interface, all part of the information technology re-engineering project, are fully operational. As a consequence, no new established posts are requested by the Fund for this Section for the next biennium, although, in view of the increasing volume of work over the past two years and the need to specify and test the system improvements, 72 work-months of general temporary assistance is requested."

After implementation of the data collection system, the Fund intends to monitor progress against productivity improvement estimates and modify expectations accordingly.

21. **Information dissemination** projects provide the means to share important data with participants, beneficiaries, member organizations and Pension Board members. The web is the most popular vehicle to quickly and accurately transport

information. Improvements in participant and beneficiary service will be readily noticeable. Long-term cost avoidance is also possible, based on a reduced volume of incoming and outgoing written correspondence. The benefits associated with these projects are, however, primarily oriented towards quality of service. Many participants and beneficiaries expect the Fund to provide this service over the coming years. The Fund has determined that the following re-engineering projects are central to information dissemination:

22. **Web-enabled applications**: It is envisioned that access to information over the web will be very popular among participants and beneficiaries and will continue to grow in popularity in the coming years. The web applications to be provided include benefit estimates of future entitlements, separation case tracking, cost-of-living notification, tax statement reporting and annual statement retrieval. The standard features currently provided via the Fund's web page and Intranet system will also be integrated into this comprehensive web-based system.

23. Improvements in participant and beneficiary service will be readily noticeable. Long-term cost avoidance is also possible, based on reduced volume of incoming and outgoing written correspondence.

24. **Data warehouse system**: The data warehouse system will provide a secure centrally administered data repository for all information imported from the data collection system. It will also provide sophisticated data transformation and reporting capabilities in a multi-system database environment. The Fund will accept and retain historical data from the member organizations and will be better positioned to proactively verify eligibility criteria for new entries, validations and restorations. The analytical features of the data warehouse system will improve the accuracy of future entitlement estimates and provide the web-enabled applications with related status data for viewing by member organizations, participants and beneficiaries.

25. In order to develop the foundation for data exchange and reporting between the Fund and the member organizations, the data collection system must be provided with a data repository. The data warehouse provides this facility as an efficient means to manage and review the imported data.

26. Long-term cost avoidance may be possible along with quality-of-service improvements. Progress will be monitored and compared to expectations in the 2004-2005 biennium.

Appendix

Additional information requested by the Advisory Committee on Administrative and Budgetary Questions regarding re-engineering expenditures of the United Nations Joint Staff Pension Fund

Project	*Approved funding 2002-2003*	*Funding to be carried over to completion*	*Completion date*
	(In United States dollars)		
Infrastructure enhancement projects			
Knowledge management system	1 023 273	26 815	December 2003
Information security	1 215 948	348 762	June 2004
Ethernet migration	458 944	34 511	December 2003
Workflow and processing	864 000		March 2004
Storage area network	1 173 683	1 173 683	March 2004
Future direction projects			
Data collection system	1 141 826	97 672	December 2005
Data warehousing	924 417	692 670	June 2005
Web application enablement	929 246	590 750	December 2004
Total	**7 731 337**	**2 964 863**	
Object of expenditure			
Contractual services		1 714 900	
Equipment		1 250 000	
Total		**2 964 900**	

Annex II

Rental of premises for the United Nations Joint Staff Pension Fund for the 2002-2003 and 2004-2005 bienniums

Proposed relocation to external premises

Background

1. At its 184th meeting in July 2001, the Standing Committee supported the proposals of the Chief Executive Officer/Secretary regarding the rental of premises, alterations and improvements to the computer room and new office space for the United Nations Joint Staff Pension Fund. The Standing Committee further recommended that the CEO/Secretary look into the possibility of acquiring premises for the Fund secretariat and the Investment Management Service (IMS) outside the United Nations and report back to the Board at its next session in July 2002 (A/56/289, annex IV, paras. 26 (h) and 27).

2. It should also be noted that, during 2001, the United Nations had urged the Fund to "relocate to other premises by the end of 2002" because of its own need to provide office space for United Nations programmes and activities. Furthermore, in light of the proposed United Nations Capital Master Plan, there is increased pressure for the Fund, including its computer room, to relocate elsewhere.

3. Accordingly, during the third quarter of 2001, the Fund worked with concerned officers of the United Nations on short-term solutions to accommodate its immediate space requirements related to the re-engineering projects. At the same time the CEO/Secretary initiated a search for permanent premises to house the New York offices of the Pension Fund, including IMS. Consultations were held with relevant United Nations officials, including the representative of the Secretary-General for the investments of the Fund. In the fall of 2001, a suitable property was identified in the vicinity of United Nations Headquarters. Negotiations to acquire the building failed, however, because the owners ultimately decided to sell individual floors of office space under a condominium offering plan.

4. In July 2002, the CEO/Secretary informed the Board that a search for permanent premises for the Pension Fund and IMS had been initiated in conformity with a recommendation made by the Standing Committee in July 2001. The Board expressed its support for the efforts of the CEO/Secretary to continue to search for permanent premises for the Fund in New York and requested that a report thereon be submitted to the Standing Committee in 2003.

5. An investment decision was made by the representative of the Secretary-General in late 2002 to acquire a building, located at 222 East 41st Street, near Headquarters. The Fund considered occupying some floors in that building as from July 2003, but the appropriate approval of the United Nations was not obtained.

1 Dag Hammarskjöld Plaza building

6. In August 2003, the Fund explored several alternatives for the relocation of its offices to more appropriate accommodations outside the United Nations Secretariat building. With the assistance of the United Nations Facilities Management Division, the Fund identified office space that would meet its long-term requirements: as is

customary with building leases, capital costs of approximately $2 million related to the construction or refurbishment of offices would be included in the lease agreement and amortized over the lease term. Furthermore, approximately $3.8 million is expected to cover the costs of construction of offices and the acquisition of related furniture and furnishings. Projected occupancy by the Fund would be early in 2004. Over the available 11-year lease period, the Fund would pay approximately $37 million for the occupied space, and would also incur other annual recurrent costs payable to the United Nations, such as security and messenger services, communications and other related infrastructure costs yet to be determined. The United Nations contribution to the cost of the new premises has not yet been defined, although, the Fund has received assurances that the United Nations will adhere to the terms of its existing cost-sharing agreement with the Fund. The cost of space occupied by IMS in the new premises would continue to be charged in full against investment income.

7. In net terms, the Fund currently reimburses the United Nations for the full annual cost of the space occupied by IMS in New York and for two thirds of the cost of the space occupied by the Fund secretariat in New York and Geneva. The annual rental rates charged by the United Nations were at local commercial rates: for the 2002-2003 biennium the rents amounted to $1,482,900 for the Fund secretariat in New York; $186,100 for the Geneva Office; and $850,900 for IMS. Rates are expected to rise for the biennium 2004-2005.

8. If no unforeseen costs are incurred during 2003, there is no requirement for revisions to be made in the approved budget for 2002-2003. However, the costs of furniture, fixtures and other construction costs (see para. 6 above) would have to be borne from 2002-2003 resources, as no provision has been made for such costs in the budget proposals for 2004-2005.

9. As regards future costs, the provision for the 2004-2005 biennium would cover 24 months of rent of outside premises (while the provision for 2004-2005 was based on the anticipated rental costs at 222 East 41st Street, it would be sufficient for the rental of other suitable premises). A breakdown of the resource growth ($3,512,300) reflected under administrative costs in the report of the Standing Committee (A/58/214, para. 20, and table 3) is as follows:

Rent	
Pension Fund central secretariat share	6 069.7
Uganda House	399.1
6th floor, United Nations Secretariat	37.7
Geneva Office	282.6
Total rent	**6 789.1**
Operating costs	
Pension Fund central secretariat share	513.4
Total requirements for 2004-2005	7 302.5
2002-2003 provision	(3 428.1)
Net increase required	3 874.4
Standing Committee adjustment	-362.1
Net increase recommended by the Security Council	**3 512.3**

It should be noted that (a) these estimates assume that the Fund's computer room would remain on the 6th floor of the United Nations Secretariat for three months while the existing computer room at the new premises is being refurbished; (b) for the Geneva Office, a small increase ($2,300) is expected over the provision for the biennium 2002-2003; and (c) operating costs projected for 222 East 41st Street include electricity, air conditioning, rubbish removal and the use of the freight elevator.

United Nations A/58/7/Add.10

General Assembly

Distr.: General
17 November 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

United Nations Institute for Training and Research

Eleventh report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the financing of the United Nations Institute for Training and Research (UNITAR) (A/58/544). During its consideration of the report, the Committee met representatives of the Secretary-General who provided additional information.

2. The report was submitted pursuant to General Assembly resolution 57/292 of 20 December 2002, in section V of which the Secretary-General was requested to report to the General Assembly at its fifty-eighth session on the financial viability of the Institute, including the status of all voluntary contributions and the payment of the accumulated debt of the Institute, as well as on provisions offered to other comparable organizations, and to address, in the context of the programme budget for the biennium 2004-2005, specific proposals and options on how best to address the issue of its past and future maintenance and rental costs, drawing on the provisions made for other organizations associated with the United Nations.

3. The Advisory Committee notes from the report that, since 1993, UNITAR has been able to carry out and expand its activities with no deficit, utilizing voluntary contributions and special purpose grants (A/58/544, para. 15).

4. The Advisory Committee also notes from the report that while both expenditures of and contributions to the UNITAR General Fund have been declining, expenditures under the Special Purpose Grants Fund and the related programme support costs have increased (A/58/544, paras. 17 and 18).

5. Upon enquiry, the Advisory Committee was informed that interest on Special Purpose Grants Fund for the period from 1993 to 2003 amounted to approximately $1.8 million (see annex to the present report) and that this amount had been credited to the programme fund in accordance with current UNITAR procedures regulating the establishment and management of special purpose grants.

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6. The total annual requirements for rent of office space in New York and Geneva amount to $130,412. With the addition of messenger, security, shuttle and cleaning services provided by the United Nations Office at Geneva (amounting to $35,218 annually), annual requirements for UNITAR would amount to $165,630. Current unpaid bills owed to the United Nations as at 31 December 2002 amount to $321,185 (A/58/544, paras. 25 and 26).

7. As indicated in the report, the United Nations Institute for Disarmament Research (UNIDIR) and the United Nations Research Institute for Social Development (UNRISD) enjoyed benefits from reduced rental rates and maintenance costs (A/58/544, para. 28).

8. With regard to UNIDIR, pursuant to General Assembly resolution 39/148 H, the Institute receives a subvention from the regular budget of the United Nations towards meeting the costs of the Director and the staff of the Institute. UNIDIR is charged a rate of 5 per cent by the United Nations for administrative and programme support costs to reimburse the United Nations for the financial and personnel services provided to the Institute by the United Nations Office at Geneva (A/58/544, para. 29).

9. In connection with UNRISD, the Advisory Committee notes that the Institute is accommodated free of charge and that it pays for programme support at the reduced rate of 7 per cent of its total budget expenditures (A/58/544, para. 30).

10. The Advisory Committee notes from the report that the Secretariat is not in a position to propose a waiver of the rental rates and maintenance costs charged to UNITAR without the express decision of the General Assembly (A/58/544, para. 31).

11. In the conclusions to the report, it is proposed that, in order to compensate the Institute for the General Fund expenditures relating to the provision, free of charge, of the training of diplomatic personnel of the missions to the United Nations in multilateral diplomacy and international affairs management, UNITAR be provided with an annual subvention in the amount not exceeding its annual rental and maintenance, cleaning, messenger, security and shuttle services costs ($165,630 in 2002) and that the request for the subvention should be subject to the review by the Advisory Committee in the context of its usual consideration of the UNITAR budget (A/58/544, paras. 36 and 37).

12. The recommendations of the Secretary-General are contained in paragraphs 40 and 41 of the report. In connection with recommendation 40 (a), **it is the view of the Advisory Committee that providing UNITAR with an annual subvention is a policy matter to be decided by the General Assembly. Should the Assembly decide that the Institute should be provided with a subvention in the amount proposed by the Secretary-General, an additional provision of $331,300 would be required over and above the resources proposed under section 29, Management and central support services, of the proposed programme budget for 2004-2005. This provision would represent a charge against the contingency fund**.

13. With regard to recommendation 40 (b), the Advisory Committee believes that the proposed period of five years is too long within which to repay the loan owed to the United Nations. **Accordingly, the Advisory Committee recommends that the Executive Director of UNITAR make every effort to repay the amount of $321,184 owed to the United Nations as soon as possible, including exploring the possibility of releasing part of the accrued interest on special purpose grants so that it can be applied towards loan repayment**.

Annex

Financial history of the Special Purpose Grants Fund for the period from 1993 to 2003[a]

(In United States dollars)

Year *1*	*Contributions* *2*	*Other income* *3*	*Total (2+3)* *4*	*Interest* *5*	*Annual interest rate (Percentage)* *6* *(5X100/6)*
1993	2 596 965	50 573	2 647 538	96 129	3.6
1994	2 994 090	13 054	3 007 144	106 616	3.5
1995	3 035 996	66 378	3 102 374	155 179	5.0
1996	4 429 998	21 382	4 451 380	164 477	3.7
1997	3 822 154	18 879	3 841 033	209 172	5.4
1998	3 945 405	14 749	3 960 154	189 770	4.8
1999	2 845 874	23 549	2 869 423	202 146	7.0
2000	4 924 648	93 703	5 018 351	226 990	4.5
2001	5 771 957	43 946	5 815 903	212 892	3.7
2002	6 171 333	21 703	6 193 036	204 912	3.3
Total	**40 538 420**	**367 916**	**40 906 336**	**1 768 283**	**4.3**

[a] Information presented in the table has been compiled from financial statements.

United Nations A/58/7/Add.11

General Assembly

Distr.: General
18 November 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Revised estimates: effect of changes in rates of exchange and inflation

Twelfth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General[1] containing the revised estimates resulting from the effect of changes in rates of exchange and inflation. During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The impact of the proposed recosting on the proposed programme budget for 2004-2005 is an increase of $150,460,600 under the expenditure sections, from $3,017,155,300 (if the recommendations of the Advisory Committee were to be applied) to $3,167,615,900, and a net increase of $15,863,900 under the income sections, from $403,517,400 (if the recommendations of the Advisory Committee were to be applied) to $419,381,300. The revised requirements under the expenditure sections of $3,167,615,900 reflect the combined effect of reductions of $41,048,200, due to adjustments to the initial proposed programme budget recommended by the Committee, and additional requirements resulting from revised exchange rate assumptions ($119,631,900), revised inflation assumptions ($18,992,200) and adjustment of salary standards ($11,836,500).

3. The Advisory Committee points out that the adjustments to the proposed programme budget for the biennium 2004-2005 resulting from its recommendations have yet to be acted upon by the General Assembly.

4. The report provides details on the methodology used in the recosting of exchange rate fluctuations, inflation and adjustment of salary standards (A/58/528, paras. 5-9). As indicated in paragraph 5 of the report, consistent with the views of the Advisory Committee, the recosting exercise reflects such operational rates of exchange as would allow for the lowest estimates.

[1] A/58/528.

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5. **The Advisory Committee finds no technical basis for objecting to the Secretary-General's revised estimates arising from the recosting of the effects of changes in rates of exchange and inflation, and accordingly transmits them to the Fifth Committee for consideration. In this connection, the Committee draws attention to the comments in its first report on the proposed programme budget for the biennium 2004-2005 with regard to the December recosting (A/58/7, paras. 153-157).**

United Nations A/58/7/Add.12

General Assembly

Distr.: General
21 November 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Administration and management of the Office of the United Nations High Commissioner for Human Rights

Thirteenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the administration and management of the Office of the United Nations High Commissioner for Human Rights (A/58/569). During its consideration of the item, the Committee met with the Acting High Commissioner and other representatives of the Secretary-General.

2. The report of the Secretary-General is submitted pursuant to General Assembly resolution 57/313 of 18 June 2003. In paragraph 2 of the resolution, the Assembly requested the Secretary-General to submit a report at its fifty-eighth session on measures pertaining to the administration and management of the Office of the United Nations High Commissioner for Human Rights (OHCHR), taking into account the report of the Office of Internal Oversight Services (OIOS) on the management review of OHCHR (A/57/488), as appropriate, and the report of the High Commissioner for Human Rights requested by the Secretary-General, as indicated in action 5 of his report entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1).

3. In its first report on the proposed programme budget for the biennium 2004-2005 (A/58/7, para. VI.1), the Advisory Committee recommended that the report of the Secretary-General to be submitted in response to General Assembly resolution 57/313 should contain a comprehensive analysis of the administrative and resource requirements necessary to implement the proposals contained therein. The Committee recommended that the report should pay particular attention to the overall management of the Office of the High Commissioner and should include an analysis of the role of the New York office and the related staffing requirements. The Committee further recommended that action on proposals for posts under section 24, Human rights, of the proposed programme budget for 2004-2005 be deferred, pending consideration of that report.

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4. Annex I to the report of the Secretary-General (A/58/569) shows a summary of resources proposed for 2004-2005 relating to actions 2 to 5 described in the report of the Secretary-General, entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1). Annex II to the report presents the status of implementation of the recommendations contained in the management review of OHCHR carried out by OIOS (A/57/488).

5. The Advisory Committee recalls that the General Assembly, in its resolution 57/300 of 20 December 2002, requested the Commission on Human Rights to review and streamline the human rights special procedures in order to rationalize their work and enhance their effectiveness. The Committee agrees with the view of OIOS that the three branches "are rendered unwieldy through the ad hoc creation of teams and units in response to new programmatic mandates and operational concerns" (A/57/488, para. 28). Furthermore, the Committee notes from the report of OIOS that there had been 27 desk officers in addition to the staff members supporting the five treaty bodies and that there is a need to rationalize the use of desk officers and staff supporting the treaty bodies in a way that would optimize their performance (see A/57/488, para. 31).

6. The recommendations of the Advisory Committee on non-posts resources for the Office of the High Commissioner for Human Rights under section 24 of the proposed programme budget for 2004-2005 are contained in its first report in the proposed programme budget (A/58/7, paras. VI.3-VI.11). The Committee's recommendations on the proposed posts for OHCHR for 2004-2005 are shown below.

7. **One D-2, Chief of Staff, under executive direction and management (A/58/6 (Sect. 24), paras. 24.8 (a) (i) and 24.32).** The Advisory Committee was informed that the functions to be covered by this new position were recommended by OIOS, which had underlined the importance of establishing "a central responsibility centre to supervise all programme support functions of OHCHR, including the administrative and financial support, to prevent the diffusion of administrative and financial responsibility and to ensure the coherence of such support" (A/57/488, para. 36). The Committee observes that the functions described in the report of the Secretary-General (see A/58/569, annex II, recommendation 12) overlap with those of the Deputy High Commissioner and of the Director of the New York office of OHCHR.

8. The Acting High Commissioner provided clarification concerning the functions of the proposed post. The Advisory Committee points out that an official at the L-7 level (a level equivalent to D-2) has been selected and has been carrying out responsibilities since early July 2003. The new position was established as an L-7 post, funded from general temporary assistance, and was not submitted to the Committee for the review required by General Assembly resolution 35/217, section II, paragraph 2. **The Advisory Committee expresses concern about the action taken by the Secretariat to establish this L-7 position, which, in effect, prejudges the outcome of the consideration by the General Assembly of the question of the D-2 post.**

9. **The Advisory Committee recommends that consideration of the establishment of the D-2 post be postponed to give the new High Commissioner the opportunity to review the matter. In the meantime, subject to its observation in paragraph 8 above, the current funding arrangement of the L-7**

post should be maintained, pending the review of the staffing requirements of OHCHR by the new High Commissioner.

10. **One P-3, Partnership Unit, External Relations Branch (A/58/6 (Sect. 24), paras. 24.8 (a) (i) and 24.32).** There are currently seven Professional and two General Service (Other level) posts in the External Relations Branch. The Advisory Committee recalls that a P-3 post was granted for this activity in the context of the biennial budget for 2002-2003. In the Committee's opinion, the proposal for 2004-2005 should have been justified in terms of workload and lack of capacity available using current staff and non-staff resources. **The Advisory Committee recommends that the functions described in paragraph 24.8 (a) (i) for a new P-3 post in the External Relations Branch be covered through redeployment of an existing post in the Office, including those financed from extrabudgetary resources.**

11. **One P-4, research and analysis, right to development (A/58/6 (Sect. 24), paras. 24.8 (a) (ii) and 24.39).** The Advisory Committee was informed that for the biennium 2002-2003 a post was redeployed from the Research and Right to Development Branch to the new Special Procedures Branch in accordance with the priorities of the Office. The Committee recalls that, for 2002-2003, a P-3 post was approved for the right to development function. **In the light of the additional information provided on the requirements for strengthening the interdisciplinary legal and socio-economic research and policy analysis capability of OHCHR in the area of right to development, the Advisory Committee agrees with the establishment of a new P-4 post in this field.**

12. **One P-5, Petition Unit; and one P-4, Treaty Implementation Unit, Support Service Branch (A/58/6 (Sect. 24), paras. 24.8 (a) (iii) and 24.44).** With the entry into force of the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families on 1 July 2003, the Advisory Committee notes that there will now be six treaty bodies instead of five. The Committee acknowledges the importance and need for these functions in view of the increase in the number of treaty bodies. The Advisory Committee notes with concern the apparent lack of enthusiasm either from the Commission on Human Rights itself or the leadership of the treaty bodies and their machineries to address the several concerns raised by the Committee (see A/56/7, paras. VI.6 to VI.9). Unless these problems are actively engaged, the Committee believes that the mere addition of more posts and non-posts resources would produce no measurable effect.

13. The Advisory Committee was provided with additional information on the workload of the Petition Unit regarding the increase in the number of individual complaints received and anticipated. **The Advisory Committee recommends the establishment of one new P-5 post in the Petitions Unit, on a temporary basis, to deal with the backlog in the Unit. Furthermore, taking into account the entry into force of the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families on 1 July 2003, the Committee recommends approval of one new P-4 post for the Treaty Implementation Unit.**

14. **One D-1, head of Special Procedures Branch; one P-5, head of geographic desk team; and one P-4, to strengthen the thematic teams (A/58/6 (Sect. 24), paras. 24.8 (a) (iv) and 24.54-24.55).** The Advisory Committee was informed that the Special Procedures Branch has recently been established and that the request for

the new posts for the Branch was accorded a high priority by the Office. The Branch currently has 21 Professionals and four General Service posts, including one Professional redeployed from executive direction and management and three other from the Research and Right to Development Branch, the Support Services Branch and the Activities and Programme Branch. The Committee is of the view that the improvement in the effectiveness and management of OHCHR does not automatically call for an increase in the number of posts (see A/58/7, paras. 80-83). **The Advisory Committee recommends against the establishment of a D-1 post to head the Special Procedures Branch at this time. The Committee agrees with the establishment of two additional posts (P-5 and P-4) to strengthen the capacity of the Branch, in particular for management support provided to geographical teams at the country level.**

15. **The Advisory Committee recommends acceptance of the proposal to convert three positions (1 P-5, 1 P-4 and 1 P-3) from general temporary assistance to established posts, to provide for the integration of the subregional Centre for Human Rights and Democracy in Central Africa into the regular budget, and two P-3 positions to established posts in the Activities and Programmes Branch (A/58/6 (Sect. 24), paras. 24.8 (b) and 24.53).**

United Nations A/58/7/Add.13

General Assembly

Distr.: General
24 November 2003

Original: English

Fifty-eighth session
Agenda items 155 and 121

Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization

Proposed programme budget for the biennium 2004-2005

Reports of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization

Programme budget implications of draft resolution A/C.6/58/L.18

Fourteenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly on the programme budget implications of draft resolution A/C.6/58/L.18 (A/C.5/58/18).

2. As indicated in the statement by the Secretary-General, under the terms of operative paragraphs 2, 7 and 8 of the draft resolution, the General Assembly would decide that the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization should hold its next session from 29 March to 8 April 2004; commend the Secretary-General for his continued efforts to reduce the backlog in the publication of the *Repertory of Practice of United Nations Organs* and endorse the efforts of the Secretary-General to eliminate the backlog in the publication of the *Repertoire of the Practice of the Security Council*; and encourage the Secretary-General in his continuous efforts to eliminate the backlog in the *Repertory* and the *Repertoire*, including by exploring options involving cooperation with academic institutions as a means to achieve this aim without prejudice to the continuation of their timely publication.

3. The Advisory Committee notes that the conference-servicing requirements for the nine-day session of the Special Committee referred to in operative paragraph 2 of the draft resolution are estimated at $275,714 and that the meeting has already

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been programmed into the calendar of conferences. No additional appropriation is therefore required (A/C.5/58/18, para. 11).

4. As concerns operative paragraphs 7 and 8 of the draft resolution, the Advisory Committee recalls that, in action 10 (d) of his report entitled "Strengthening of the United Nations: an agenda for further change" (A/57/387 and Corr.1), the Secretary-General stated that the *Repertory of Practice of United Nations Organs* should no longer be produced by the United Nations. Accordingly, no provision was included in the proposed programme budget for the biennium 2004-2005 for that purpose. Adoption of the draft resolution would consequently entail additional requirements under sections 2, General Assembly affairs and conference services; 3, Political Affairs; 4, Disarmament; 5, Peacekeeping operations; 8, Legal affairs; 9, Economic and social affairs; 24, Human rights; 29B, Office of Programme Planning, Budget and Accounts; and 29C, Office of Human Resources Management.

5. In his statement, the Secretary-General estimates that adoption of the draft resolution would give rise to total additional resource requirements for the proposed programme budget for the biennium 2004-2005 in respect of the *Repertory of Practice* amounting to $2,357,600. A breakdown of requirements by section of the proposed programme budget is given in paragraph 10 of the statement by the Secretary-General.

6. **The Advisory Committee encourages the Secretariat to make greater use of the Internet to disseminate the *Repertory of Practice*, thereby speeding access to the publication and possibly reducing printing costs. In this connection, the Advisory Committee understands that there remains a reliance on hard copies of the *Repertory*.**

7. **The Advisory Committee recommends that the Fifth Committee inform the General Assembly that, should it adopt draft resolution A/C.6/58/L.18, an additional appropriation of $2,357,600 would be required in the proposed programme budget for 2004-2005, as follows: section 2, General Assembly affairs and conference services, $590,100; section 3, Political affairs, $178,300; section 4, Disarmament, $30,000; section 5, Peacekeeping operations, $383,300; section 8, Legal affairs, $82,500; section 9, Economic and social affairs, $560,900; section 24, Human rights, $410,900; section 29B, Office of Programme Planning, Budget and Accounts, $55,500; and section 29C, Office of Human Resources Management, $66,100. Under the procedures established by the General Assembly in its resolutions 41/213 and 42/211, those provisions would represent a charge against the contingency fund.**

8. The Advisory Committee was informed that the potential charges against the contingency fund for the biennium 2004-2005 as at 24 November 2003 (see annex) exceeded the level approved by the General Assembly for the contingency fund for the biennium 2004-2005, namely $21.6 million (see Assembly resolution 57/280). **Therefore, in accordance with the guidelines approved by the Assembly for the operation of the fund, the Secretary-General should make proposals, in his consolidated statement of programme budget implications and revised estimates for the current session of the Assembly, for revising the consolidated amount so that it will not exceed the available balance (Assembly resolution 42/211, annex, para. 6). The Advisory Committee will revert to this matter in the context of its consideration of the consolidated statement.**

Annex

Potential charges against the contingency fund for 2004-2005 as at 24 November 2003

(Thousands of United States dollars)

	Secretary-General	*Advisory Committee*	*Fifth Committee*	*Net costs*	*Requirements for servicing meetings within net costs (sect. 2)*
I. Contingency fund					
1. Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2003 (A/C.5/58/10)	842.7	-		842.7	557.3
2. Programme budget implications of draft resolution A/C.6/58/L.18, Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization (*Repertory*)	2 357.6			2 357.6	-
3. Cost implications of providing more predictable and adequate conference services to the meetings of regional and other major groupings of Member States	7 966.0	(3 225.4)		4 740.6	4 044.4
4. Improving and modernizing the conference facilities at the United Nations Office at Nairobi	1 139.0	-		1 139.0	-
5. The illicit trade in small arms and light weapons in all its aspects (Programme of Action follow-up)	1 893.3			1 893.3	1 532.2
6. UNITAR (A/58/544)	331.3			331.3	-
Under consideration of Main Committee					
7. Travel of least developed countries (A/C.2/58/L.XX)	783.6			783.6	-
8. Desertification Convention (A/C.2/58/L.XX)	1 725.4			1 725.4	1 725.4
9. Climate Change Convention (A/C.2/58/L.XX)	3 781.1			3 781.1	3 781.1
Anticipated/under preparation by Secretariat					
10. Relocation of the UNJSPF secretariat — Report of the Standing Committee of the United Nations Joint Staff Pension Board (A/58/214)	1 589.9			1 589.9	-
11. INSTRAW	234.7			234.7	-
12. Committee on the Rights of the Child	3 856.8			3 856.8	3 645.0
13. Small island developing States	577.5			577.5	
14. Follow-up to World Summit on Sustainable Development	500.0			500.0	
15. Commodities	425.0			425.0	

	Secretary-General	*Advisory Committee*	*Fifth Committee*	*Net costs*	*Requirements for servicing meetings within net costs (sect. 2)*
16. Ad hoc Committee on a Comprehensive and Integral International Convention on Protection and Promotion of the Rights and Dignity of Persons with Disabilities (A/C.3/58/L.78)	763.5			763.5	763.5
17. Children and armed conflict	?			-	
18. Financing for Development	?			-	
19. United Nations Decade for Human Rights Education, 1995-2004	?			-	
20. Population	?			-	
21. Law of the sea	?			-	
Subtotal				**25 542.0**	**16 048.9**
Level of contingency fund approved in resolution 57/280				21 600.0	
Contingency fund balance				(3 942.0)	
II. Other					
Servicing of the Counter-Terrorism Committee				4 439.2	4 212.1
Grand total				**29 981.2**	**20 261.0**

United Nations A/58/7/Add.14

General Assembly

Distr.: General
24 November 2003

Original: English

Fifty-eighth session
Agenda items 73 (n) and 121

General and complete disarmament

Proposed programme budget for the biennium 2004-2005

The illicit trade in small arms and light weapons in all its aspects

Programme budget implications of draft resolution A/C.1/58/L.1/Rev.1

Fifteenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly on the programme budget implications of draft resolution A/C.1/58/L.1/Rev.1 (A/C.5/58/17).

2. In paragraph 2 of his statement, the Secretary-General outlines the activities by which the draft resolution would be implemented.

3. The Secretary-General estimates that adoption of the draft resolution would give rise to additional requirements of $1,522,300, at full cost, under section 2, General Assembly affairs and conference services, of the proposed programme budget for the biennium 2004-2005 (see ibid., para. 11). The conference-servicing costs are broken down as follows: $270,700 for the second biennial meeting of States (A/C.1/58/L.1/Rev.1, operative para. 3); $1,230,800 for the organizational session and the three substantive sessions of the open-ended working group (ibid., operative paras. 8-10); and $20,800 for broad-based consultations (ibid., operative para. 11).

4. As indicated in the statement (A/C.5/58/17, paras. 4-9), the Department for Disarmament Affairs would provide the necessary substantive services for the convening of the United Nations conference and its preparatory committee, the second biennial meeting of States and the open-ended working group. In addition, the Department would collect the views of States and organize and service, in 2004, a one-day informal consultation in New York and one in Geneva, pursuant to

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operative paragraph 11 of the draft resolution, and would prepare the report of the Secretary-General on the outcome of the broad-based consultations. It would also continue to dedicate staff resources to receiving, collating and circulating information provided by States in accordance with paragraph 13 of the draft resolution. In addition, the Department would prepare the report of the Secretary-General requested in paragraph 14 of the draft resolution.

5. The Secretary-General estimates that additional temporary assistance resources equivalent to 18 work-months at the P-3 level and 12 work-months at the General Service (Other level) level would be required by the Department for Disarmament Affairs to implement paragraphs 8 to 10 of the draft resolution. The related resource requirements would amount to $371,000 as follows: $254,200 under section 4, Disarmament, of the proposed programme budget for the biennium 2004-2005; $69,700 under section 29D, Office of Central Support Services; and $47,100 under section 32, Staff assessment, to be offset by an equivalent amount under income section 1 (ibid., para. 14).

6. The Advisory Committee notes from the statement of the Secretary-General that no provision has been made under the proposed programme budget to cover the additional requirements, and that it is not possible to identify activities within section 4, Disarmament, of the proposed programme budget for the biennium 2004-2005 that could be terminated, deferred, curtailed or modified during the biennium.

7. **The Advisory Committee recommends that the Fifth Committee inform the General Assembly that should it adopt draft resolution A/C.1/58/L.1/Rev.1, an additional appropriation of $1,893,300 would be required in the proposed programme budget for the biennium 2004-2005 as follows: section 2, General Assembly affairs and conference services, $1,522,300; section 4, Disarmament, $254,200; section 29D, Office of Central Support Services, $69,700; and section 32, Staff assessment, $47,100 (to be offset by an equivalent amount under income section 1, Income from staff assessment). Under the procedures established by the General Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987, those provisions would represent a charge against the contingency fund. The Committee was informed that potential charges against the contingency fund for the biennium 2004-2005 as at 24 November 2003 exceeded the level approved by the Assembly for the fund for the biennium. The Committee has commented on this matter in its previous report (A/58/7/Add.13, para. 8).**

United Nations A/58/7/Add.15

General Assembly

Distr.: General
1 December 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Capital master plan

Sixteenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the Secretary-General's first annual progress report on the implementation of the capital master plan (A/58/599). During its consideration of the matter, the Committee met with representatives of the Secretary-General.

2. The report of the Secretary-General is submitted in compliance with section II of General Assembly resolution 57/292 of 20 December 2002. It outlines the work undertaken in the context of the project during 2003 and provides information on the utilization of funds approved so far for the implementation of the project. In addition, the report discusses the status of three interconnecting factors determining the overall schedule for the implementation of the capital master plan: availability of funding, availability of swing space and the progress of technical aspects.

3. In section II, paragraph 5, of its resolution 57/292, the General Assembly decided to implement the capital master plan on the basis of the baseline scope under the first approach to phasing and swing space proposed by the Secretary-General in his report (A/57/285), with a construction budget of $1,049 million, a variance of plus or minus 10 per cent (i.e. a range estimated to be $944.1 million to $1,153.9 million), a proposed construction start date of October 2004 and a construction duration of five years. Upon request, the Secretariat confirmed that the cost projections on which the Assembly decision was based were still valid.

4. In section II, paragraph 29 (a), of the same resolution, the General Assembly requested the Secretary-General to report to the Assembly at its fifty-eighth session on the status of possible funding arrangements, including a financial package to be provided by the host country. In this connection, the Advisory Committee notes the information provided in paragraph 4 of document A/58/599. The Committee was informed that the host country was continuing to consider possible funding modalities. Interest-free loans as well as other financing options were being explored. The host country would most likely be in a position to advise on funding proposals in early 2004. Moreover, given the funding situation, the Committee was

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further informed that the Secretary-General had deferred the establishment of the advisory board (see A/57/285, para. 66), as he did not believe it could be productive, useful or appropriate currently.

5. An update on the status of negotiations with the city and state of New York is presented in paragraphs 6 to 11 of document A/58/599. The city of New York and the United Nations Development Corporation (UNDC), in consultation with the United Nations, have begun the selection process for an architect for the design of a new building to be used as swing space (see A/57/285, paras. 36-42 and A/57/7/Add.4, paras. 10-15). It is anticipated that a final decision will be made before the end of 2003. Subject to the resolution of funding matters and community issues (see A/57/285, paras. 8 and 78), UNDC plans to begin construction in the first half of 2005. The Committee was informed that the city of New York had encountered some delays with the acceptance of the mitigation measures by the local community. The proposal to build an esplanade along the East River, as compensation to the community for the loss of the playground, was currently being reviewed by the Community Board. The city was also seeking additional solutions that would lead to community approval.

6. The Advisory Committee notes the progress of designed work and implementation of capital components of the strengthening of security projects at Headquarters, reported in paragraphs 12 to 16 and 18 to 23 of document A/58/599. The Committee further notes that the Office of Internal Oversight Services has indicated in its report on the capital master plan for the period from January to July 2003 "that the process of issuing requests for proposals for the purpose of selecting architectural and engineering firms to provide the design services under the capital master plan has advanced satisfactorily, that there is reasonable assurance to indicate that the process thus far has been transparent and fair and that internal controls in the request for proposals process appeared adequate (see A/58/342, summary). **The Advisory Committee welcomes the progress made in this phase of the project.**

7. The Advisory Committee notes that for design and related project management costs, the amount committed for the implementation of the capital master plan is $16.8 million against the amount of $25.5 million appropriated by the General Assembly for the biennium 2002-2003 in section II, paragraph 25, of its resolution 57/292. A separate account has been established to manage the appropriation and allotment for the plan. The Committee was provided with information on contracts for procurement for the plan.

8. On the subject of additional conference rooms foreseen in the baseline scope (see A/57/285, paras. 20-23), the Advisory Committee was informed that the Department of General Assembly Affairs and Conference Management had analysed past demand for rooms and current requests in order to determine more effectively the requirements for the future. An architectural study had been completed on the possibilities of introducing natural light into the new meeting rooms. The Secretary-General had submitted proposals on the matter (A/58/556), which the Committee would report separately.

9. On the issue of parking, as requested by the General Assembly (resolution 57/292, sect. II, para. 17), the Advisory Committee was informed that the matter was being re-examined with a view to increasing parking where possible without added cost. That was also the subject of a separate study, which would be submitted to the Assembly at its resumed fifty-eighth session.

10. On the management aspects of the project (see A/57/7/Add.4, paras. 22-23 and annex III), the Advisory Committee was informed that on 1 February 2003 the Executive Director of the project had been appointed on a full-time basis, and nine Professional staff had been assigned to the project, managing both the capital master plan start-up and the capital master plan-related aspects of the projects on the strengthening of security. A programme management firm would supplement the project management staff. It was expected that the firm to be selected would perform a number of services, including independent technical review of the design work, coordination of design work for the various buildings, and the maintenance of estimates and the schedule for the project. It was planned to retain the construction management firm before major design submissions were made.

11. On the future management structure and staffing requirements of the project, the Advisory Committee was informed that the matter was under review by the Under-Secretary-General for Management, to whom the Executive Director was responsible. The Committee recognizes that in order to implement the capital master plan successfully, it is critical to have adequate staffing resources at the appropriate levels with the required specialized expertise (including from outsourcing).

12. **As the capital master plan will be a time-limited and specialized project of the Secretariat, to be implemented on a phased basis (see A/57/285, paras. 48-57), additional staffing for the plan should be requested in accordance with actual workload requirements in each phase. In this connection, the Advisory Committee trusts that before submitting proposals for additional staffing for the capital master plan, the Secretary-General will take full account of the in-house expertise available both within the Department of Management (financial services, human resources, procurement, facilities management) as well as elsewhere in the Secretariat (legal services, public information and conference services) and that care will be taken not to replicate existing organizational structures and staffing resources, but rather to maximize opportunities for coordination and collaboration.**

United Nations A/58/7/Add.16

General Assembly

Distr.: General
3 December 2003

Original: English

Fifty-eighth session
Agenda items 52 (a) and 121

Oceans and the law of the sea

Proposed programme budget for the biennium 2004-2005

Oceans and the law of the sea

Programme budget implications of draft resolution A/58/L.19

Seventeenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly on the programme budget implications of draft resolution A/58/L.19 (A/C.5/58/22).

2. An analysis of the requirements of the draft resolution is contained in paragraphs 6 to 8 of the statement submitted by the Secretary-General.

3. The Advisory Committee notes that provision has been made under section 8, subprogramme 4, of the proposed programme budget for the biennium 2004-2005 for the requests contained in operative paragraphs 64 (a) and (d) of the draft resolution. No additional appropriation would therefore be required (see A/C.5/58/22, para. 7).

4. As concerns paragraph 64 (e) of the draft resolution, the Secretary-General estimates that the convening of the intergovernmental meeting referred to therein would give rise to additional requirements of $347,000 (at 2004-2005 rates) at full cost under section 2, General Assembly affairs and conference services, of the proposed programme budget for the biennium 2004-2005 (ibid., para. 8), on the understanding that the additional requirements entailed by the holding of the meeting in Iceland would be borne by the host Government.

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5. **The Advisory Committee recommends that the Fifth Committee inform the General Assembly that should it adopt draft resolution A/58/L.19, an additional appropriation of $347,000 (at 2004-2005 rates) would be required in the proposed programme budget for the biennium 2004-2005 under section 8, Legal affairs, of the proposed programme budget for the biennium 2004-2005, subject to the procedures established by the General Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987, for the use and operation of the contingency fund. The Committee was informed that potential charges against the contingency fund for the biennium 2004-2005 as at 21 November 2003 exceeded the level approved by the Assembly for the fund for the biennium. The Committee has commented on this matter in its report of 24 November 2003 (see A/58/7/Add.13, para. 8).**

United Nations A/58/7/Add.17

General Assembly

Distr.: General
3 December 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Conference and support services extended to the Counter-Terrorism Committee in the implementation of Security Council resolution 1373 (2001)

Eighteenth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/58/23) containing revised estimates under sections 2 and 29D of the proposed programme budget for the biennium 2004-2005. During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information.

2. The Counter-Terrorism Committee was established by the Security Council in its resolution 1373 (2001) of 28 September 2001 on measures to prevent terrorism. Since then, the Council has extended the mandate of the Committee and endorsed its programme of work every six months. The latest extension is contained in a presidential statement dated 16 October 2003 (S/PRST/2003/17).

3. As indicated in the report of the Secretary-General, in the absence of specifically budgeted resources for the biennium 2002-2003, conference and support services requirements for the Counter-Terrorism Committee were met from within the overall appropriation approved by the General Assembly under sections 2, General Assembly affairs and conference services, and 27D, Office of Central Support Services, of the programme budget for the biennium 2002-2003. Actual requirements were reported to the Assembly in the context of the first and second budget performance reports for the biennium 2002-2003 (see A/C.5/58/23, para. 3).

4. The Advisory Committee notes that, while the meetings of the Counter-Terrorism Committee have been included in the calendar of conferences for 2004, the related financial provisions for conference and common support services were not included in the proposed programme budget for the biennium 2004-2005 given the extraordinary nature of the Counter-Terrorism Committee's activities mandated by the Security Council (see A/C.5/58/23, para. 4). Substantive servicing of the Counter-Terrorism Committee, however, is included in the proposed programme budget under section 3, Political affairs. The estimates contained in the report of the Secretary-General cover 2004 only, given the difficulty of predicting the pattern of

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work of the Counter-Terrorism Committee (see A/C.5/58/23, para. 5), with supplementary proposals to be submitted to the Assembly at its fifty-ninth session in the context of the first performance report.

5. **The Advisory Committee finds the treatment of the financing of the activities of the Counter-Terrorism Committee inconsistent, and requests that it be regularized**. Upon enquiry, the Advisory Committee was informed that it was expected that the mandate of the Counter-Terrorism Committee would be extended through 2005. In that connection, the Advisory Committee reiterates its view, as stated in its report of 27 November 2002, concerning estimates in respect of matters of which the Security Council is seized, that the estimate for open-ended entities, such as monitoring mechanisms, expert groups or the Counter-Terrorism Committee, should be presented in the proposed programme budget (see A/57/7/Add.17, para. 5).

6. The Advisory Committee was informed that efforts had been undertaken to promote streamlined reporting by Member States, in accordance with the recommendation of the Advisory Committee in its report of 20 May 2002 (see A/56/7/Add.11). In that connection, the Advisory Committee notes that the estimated number of pages to be translated for 2004 (2,470 pages), as shown in annex I of the report of the Secretary-General, would indicate a trend towards shorter reports when compared with the actual pages translated in the biennium 2002-2003 (7,555 pages), as shown in the second performance report (see A/58/558, para. 19). **The Advisory Committee welcomes this development.**

7. The estimates contained in the report of the Secretary-General are based on the assumption that the Counter-Terrorism Committee would have more or less the same level of activities in 2004-2005 as in 2002-2003. It is expected that meeting servicing costs for 2004, estimated at $650,000, could be met from within resources already programmed for section 2 of the proposed programme budget. Translation of an estimated 2,740 pages and preparation of summary records would require recruitment of short-term staff — 18 translator/reviser full-time positions and 13 temporary positions for text-processors — for a total estimated additional requirement for 2004 of $3,958,900 under section 2 of the proposed programme budget. Requirements for section 29D are estimated at $234,100.

8. **Taking into account its comments and observations as set out in the paragraphs above, the Advisory Committee recommends that the General Assembly authorize the Secretary-General to enter into commitments of $4,193,000 in connection with the conference-servicing and common support requirements of the Counter-Terrorism Committee in 2004. Such additional appropriations as may be necessary can be dealt with in the context of the first performance report for the biennium 2004-2005, which should include detailed information on expenditures relating to the provision of conference and common support services to the Counter-Terrorism Committee in 2004.** The Advisory Committee notes the statement, in paragraph 13 of the report of the Secretary-General, that the activities related to the servicing of the Counter-Terrorism Committee are of an extraordinary nature and should be dealt with as provided for in annex I, paragraph 11, of General Assembly resolution 41/213.

United Nations A/58/7/Add.18

General Assembly

Distr.: General
5 December 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council

Nineteenth report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on estimates in respect of special political missions, good offices and other initiatives authorized by the General Assembly and/or the Security Council (A/C.5/58/20). During its consideration of the report, the Advisory Committee met with the representatives of the Secretary-General, who provided additional information.

2. **The Advisory Committee considered a draft version of the report; the very limited time available to the Committee prevented it from conducting an in-depth examination of the estimates before it. Its comments and observations set out in the present report are therefore more limited than usual, and in some cases are of a preliminary nature. The Committee is of the opinion that, in future, consideration should be given to submitting the report earlier in the session.**

II. General considerations

3. The Advisory Committee recalls that the General Assembly, in its resolution 57/280 of 20 December 2002 on the proposed programme budget outline for the biennium 2004-2005, decided to include an amount of up to $170 million for special political missions related to peace and security expected to be approved or extended during the biennium 2004-2005 (see also A/57/636, para. 9). The Committee, in its first report on the proposed programme budget for the biennium 2004-2005,[1] in considering the resources proposed under section 3, Political affairs, noted that after

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transferring the resources of $4,398,600 related to the Counter-Terrorism Committee to policy-making organs, $374,900 in common support costs to section 29D, Office of Central Support Services, and $2,048,400 related to the Adviser for Special Assignments in Africa to section 11, United Nations support for the New Partnership for Africa's Development, the balance of resources for special missions amounted to $163,178,100, before recosting. The Committee had been informed at the time that the amount would be adequate for those missions expected to be extended or approved during the biennium 2004-2005 and that additional requirements would continue to be treated in accordance with the relevant provisions of General Assembly resolution 41/213 of 19 December 1986.

4. The report of the Secretary-General presents the estimated resource requirements for 20 special political missions (see A/C.5/58/20, table 1, sects. I and II). These include 17 political offices, peace-building missions and sanctions panels authorized by the Security Council and 3 authorized by the General Assembly. The mandate of some of those missions had been extended or were anticipated to be extended to 2004.

5. The Advisory Committee notes that the requirements of three of the missions were included in the report in order to make it comprehensive, as requested by the Committee (A/57/7/Add.17, para. 5), even though the estimates of their requirements are being considered separately by the General Assembly, namely, the Special Envoy of the Secretary-General for Myanmar, the Central American peace process and the United Nations Verification Mission in Guatemala (MINUGUA). **Such additional specific comments and observations as the Committee may have regarding those missions will be included in the related reports as it examines the pertinent statements of programme budget implications.** Included for the first time are the requirements of the United Nations Representative to the International Advisory and Monitoring Board. Twenty missions are expected to be discontinued in 2004 or have been subsumed into existing ones, merged with others or completed (see A/C.5/58/20, table 1, sect. III).

6. The total estimated requirements amount to $140,304,500 for the period from 1 January to 31 December 2004 (see ibid., table 2). Expenditures for 2002-2003 are estimated at $163,563,200, excluding requirements related to missions that will not be in operation in 2004.

7. The overall growth in requirements for the biennium 2004-2005 as compared to 2002-2003 is not indicated in view of the difficulty of forecasting requirements for the biennium when only the initial requirements for the first calendar year are known and of forecasting the evolution of political events during the course of the year, with the exception of the downsizing of MINUGUA and a reduction in election requirements for the United Nations Assistance Mission in Afghanistan (UNAMA) if elections are held in 2004 (see ibid., para. 8 and para. 21 below). Nevertheless, the Advisory Committee notes that, in terms of monthly expenditure requirements, an amount of $11.7 million is estimated monthly for 2004 compared with $8 million during 2002-2003. The increase of nearly 50 per cent relates to significant increases in four missions: the United Nations Office in Burundi (UNOB), the United Nations Peace-building Support Office in the Central African Republic (BONUCA), the United Nations Assistance Mission for Iraq (UNAMI) and UNAMA. Moreover, $100 million, or 71 per cent of the $140 million estimated for 2004 is related, to the

largest two missions, UNAMI ($35 million) and UNAMA ($65 million) (see paras. 13-21 below).

8. Staffing requirements for 2004 total 2,079 posts, as against 1,934 authorized for 2003 — a net increase of 145 posts (see ibid., table 3). This excludes 207 posts approved for missions in 2003, that were completed or subsumed under other missions. The Committee notes, however, that of the total 2,079 posts proposed, 1,710 relate to UNAMI (551 posts) and UNAMA (1,159). The changes proposed include the following decreases in posts: a reduction of 80 posts for MINUGUA, a reduction of 1 post for the Special Envoy of the Secretary-General for Myanmar and the reduction of 1 post for the Monitoring Group established pursuant to Security Council resolution 1363 (2001) and extended by resolutions 1390 (2002) and 1455 (2003). These reductions are offset by the following increases: 4 new posts for the newly instituted United Nations Representative to the International Advisory and Monitoring Board, the increase of 1 post for the Special Representative of the Secretary-General for West Africa, the increase of 1 post for BONUCA, an increase of 15 posts for UNOB, an increase of 194 posts for UNAMI and 12 additional posts for UNAMA. Information provided to the Committee with regard to actual vacancies and vacancies assumed in estimating staffing costs in the proposals for 2004 are included in the annex.

9. The Advisory Committee notes that the proposed requirements of seven of the missions are presented in results-based format (MINUGUA, the United Nations Peace-building Support Office in Guinea-Bissau (UNOGBIS), UNOB, BONUCA, the United Nations Tajikistan Office of Peace-building, UNAMI and UNAMA). The Committee was informed that training had been provided in that regard. **The Committee welcomes the improvement in the presentation and notes the commitment to further refining the results-based-budgeting elements and to extend their application to other political missions, where practicable (see ibid., para. 5). While the introduction to the report contains more information than it did in previous reports, it still needs to be more analytical.**

10. **The supplementary information submitted to the Advisory Committee contained a section entitled "Other relevant information", which provided information on recent and expected developments, thus providing background for the resources requested for each mission. The Committee welcomes this information, which should be integrated in future in the report of the Secretary-General in order to facilitate an analysis of the request. The Committee is also of the opinion that thought should be given to expanding the treatment of larger missions with a view to providing the level of information contained in the report on peacekeeping operations.**

11. **The Advisory Committee has requested that information on collaboration with other partners, including substantive departments of the Secretariat, with regard to peace-building and assistance missions be included in future reports (see A/57/7/Add.17, para. 10). The Committee notes that there is still little information in this regard; it appears that little progress has been achieved. The Committee stresses the need to ensure synergy and complementarity between the various missions and other relevant entities of the United Nations in order to ensure efficiency and the optimum use of resources.**

12. **For example, there is room to better utilize transportation resources, including those for air operations, taking into account the existence of**

peacekeeping missions or other United Nations entities operating in the same regions. Moreover, in many cases requests for travel provide little justification as to the need for those resources or their intended use. The Committee is also of the opinion that more efficient utilization of the vehicle fleet could be achieved in some cases, such as those related to the Personal Representative of the Secretary-General for Southern Lebanon, UNOGBIS or the Panel of Experts on Somalia. Similarly, the Committee found little explanation for the planned use of experts and consultants.

III. Comments on specific missions

A. United Nations Assistance Mission for Iraq

13. The estimated requirements for the operation of UNAMI for a one-year period from 1 January to 31 December 2004 amount to $35,143,500 (24 per cent of the total requirements for special political missions). Expenditures for 2002-2003 are estimated at $9,633,000. Increases for 2004 include the addition of 3 military liaison officers, 2 civilian police officers and 194 additional staff compared with the 2003 levels (see A/C.5/58/20, table 1, and paras. 131 and 132).

14. The Advisory Committee was informed that the Secretary-General would be submitting a new report on Iraq to the Security Council on or about 15 December 2003, pursuant to Security Council resolutions 1483 (2003) and 1511 (2003), in which he would outline the incremental process of deployment of UNAMI in 2004. The cost estimates are based on the concept of a gradual build-up of the Mission and its progressive deployment to the country and locations within Iraq.

15. **The Advisory Committee is aware that the resources set out in the report are of a tentative nature, based on assumptions that may or may not materialize. The final level of resources will depend on developments in Iraq and in the region and, ultimately, on upcoming decisions of the Security Council. Moreover, the Committee is aware that the protective measures recommended in response to the findings of the Independent Panel on the Security and Safety of United Nations Personnel in Iraq will have significant financial implications. The Committee was informed that they would be addressed by the Secretary-General in an upcoming report to the General Assembly.**

B. United Nations Assistance Mission in Afghanistan

16. The requirements for UNAMA are estimated at $65,286,600 for 2004 (46 per cent of the total requirements for special political missions). Estimated expenditures for 2002-2003 amount to $80,111,900 (see ibid., table 1, and para. 139).

17. The Advisory Committee was informed that security continued to be the main problem, particularly as key processes were about to commence or were already under way, namely, the pilot phase of the disarmament, demobilization and reintegration exercise that began in October 2003, the electoral registration exercise started during the first week of December and the Constitutional Loya Jirga scheduled to begin on 10 December.

18. Arrangements for providing security to United Nations personnel are under review and may lead to a supplementary request. Support is also being sought from national and international security forces.

19. The Advisory Committee was informed that timely funding and security were the main challenges facing the electoral process. In this connection, of the $78 million estimated for the registration project, $36.8 million has been pledged and a little over $25.5 million has been received in cash or in kind.

20. The resources proposed in the report of the Secretary-General provide for the costs related to 1 military adviser, 11 military liaison officers, 8 civilian police advisers and a staffing complement of 1,159 (279 international staff, 143 National Officers and 737 local staff) — a net increase of 12 posts compared with the level in 2003. The current staffing component of 1,147 includes 306 international staff, 164 National Officers and 677 local staff (see ibid., table 3, para. 139).

21. The Advisory Committee was informed that of the total number of proposed staff, 195 (75 international and 120 national) related to the electoral component of the Mission. It was expected that all those positions would be vacated during December 2004. For all other staff, vacancy factors of 20 per cent for international staff and National Officers and 10 per cent for local staff were applied.

C. Special Representative of the Secretary-General for West Africa

22. The Office of the Special Representative for West Africa was scheduled to start operating as from January 2002 for a period of three years (see S/2001/1128). However, the Committee was informed that the Office, as a result of the severe crises in the region (in Côte d'Ivoire, Liberia and Sierra Leone) and in view of a number of administrative and logistical impediments, did not start operating until the beginning of 2003.

23. The resource requirements for 2004 are estimated at $2,200,500. The staffing component provides for 20 posts (8 Professional, 1 General Service and 11 local level), including an additional P-4 post for a special assistant to the Special Representative (see ibid., table 3, and para. 98).

24. The Advisory Committee was further informed that an evaluation of the work of the Office would be conducted in 2004 with a view to making recommendations on the future of the Office beyond 2004. **The Committee will revert to this issue at the appropriate time.**

D. Special Envoy of the Secretary-General in Africa

25. The appointment of the Special Envoy was extended for one year, until 31 December 2003. The Special Envoy is responsible for the promotion of international peace and security in the Horn of Africa and provides advice on matters related to the situation in Somalia and the Sudan. The resources proposed for 2004 amount to $108,900, providing for official travel of the Special Envoy ($103,400) and logistical and miscellaneous requirements ($5,500) (see ibid., table 1, and para. 47).

26. **The Advisory Committee is of the opinion that an evaluation of the role and function of the Special Envoy of the Secretary-General in Africa, such as**

that mentioned in paragraph 24 above, should be carried out in the light of developments in the region.

E. Office of the Special Representative of the Secretary-General for the Great Lakes region of Africa

27. The Advisory Committee recalls that the Office was established in December 1997 and that its mandate has been extended until 31 December 2004 (see S/2003/1066 and S/2003/1067). The Secretary-General in November submitted a report to the Security Council on events leading to the launching of the preparatory process and activities for an international conference on peace, security, democracy and development in the Great Lakes region of Africa, among other issues (S/2003/1099), and the Security Council adopted a presidential statement on the question (S/PRST/2003/23).

28. The requirements relating to the Office of the Special Representative of the Secretary-General for the Great Lakes region of Africa are estimated at $1,829,000 for 2004. However, as indicated to the Advisory Committee upon enquiry, the launching of the preparatory process will increase the activities of the Office. In the opinion of the Committee, the resources proposed in the report of the Secretary-General do not fully reflect the needs related to the intensive preparatory work involved and the convening of the first summit meeting of the conference. In this connection, the Committee was informed that, in addition to its previous activities, the Office would have to convene three preparatory meetings and a set of thematic meetings and that it would not be possible to carry out those new activities without significant additional resources. The Committee was further informed that after the next preparatory meetings, to be held in December 2003, the Secretary-General would return to request the additional resources required. **The Committee will revert to this issue in the context of that request**.

F. United Nations Office in Burundi

29. The resources for UNOB are estimated at $9,277,600 for 2004 (7 per cent of the total requirements). Expenditures are estimated at $11,257,000 for the biennium 2002-2003 (see A/C.5/58/20, table 1). The increase of approximately $3 million is due mostly to the proposal for 15 additional posts ($2,478,180) related to supporting the Joint Ceasefire Commission, which was established in 2003 to assist in the implementation of the Arusha Agreement on Peace and Reconciliation and subsequent ceasefire agreements (see S/2003/920 and S/2003/921).

30. The mandate of UNOB expires on 31 December 2003, and a report is being prepared for submission to the Security Council. The requirements are based on the anticipated extension of the mandate. The Advisory Committee was informed that progress in the peace process was bringing the situation closer to the stage at which the establishment of a United Nations peacekeeping operation would be proposed.

G. Panels of Experts

31. The report of the Secretary-General includes resources related to two Panels of Experts, on Liberia and Somalia, which were due for renewal in November 2003. Their budgets ($826,300 for Liberia and $1,328,900 for Somalia) are based on the anticipated extension of their mandates by the Security Council for a further eight-month and six-month period respectively.

32. **The Advisory Committee is of the opinion that consideration should be given to integrating administrative and logistical support for the Panel of Experts on Liberia into the United Nations Mission in Liberia.**

IV. Recommendation

33. **Subject to its comments and observations set out in the present report, the Advisory Committee recommends that, at this stage, the General Assembly approve resources amounting to $140,304,500, requested under section 3, Political affairs, of the proposed programme budget for the biennium 2004-2005, as a charge against the provision for special political missions.**

Notes

[1] *Official Records of the General Assembly, Fifty-eighth Session, Supplement No. 7* and corrigendum (A/58/7 and Corr.1), para. II.12.

Annex

Actual vacancies as at October 2003 and vacancies assumed in estimating staffing costs in the budget proposals for 2004

(Percentage)

	Vacancies as at October 2003			*Vacancy rates used in the budget proposals*		
	International	*Local*	*Overall*	*International*	*Local*	*Overall*
I. Special political missions emanating from the General Assembly						
A. Special Envoy of the Secretary-General for Myanmar	0	0	0	0	0	0
B. Central American peace process	0	0	0	0	0	0
C. United Nations Verification Mission in Guatemala	17.0	11.3	5.6	5.0	5.0	5.0
II. Special political missions emanating from the Security Council and other political initiatives relating to the maintenance of international peace and security						
A. Special Envoy of the Secretary-General in Africa	n/a	n/a	n/a	n/a	n/a	n/a
B. Panel of Experts on Liberia	n/a	n/a	n/a	n/a	n/a	n/a
C. Special Adviser of the Secretary-General on Cyprus	0	0	0	0	0	0
D. Office of the Special Representative of the Secretary-General for the Great Lakes region of Africa	12.5	0	6.2	10.0	0	5.0
E. Personal Representative of the Secretary-General for Southern Lebanon	0	0	0	0	0	0
F. United Nations Political Office in Bougainville	28.0	0	17.8	10.0	0	4.5
G. Panel of Experts on Somalia	n/a	0	0	n/a	0	0
H. United Nations Office for Somalia	0	0	0	0	0	0
I. Monitoring Group established pursuant to Security Council resolution 1363 (2001) and extended by resolutions 1390 (2002) and 1455 (2003)	0	n/a	0	0	n/a	0
J. Special Representative of the Secretary-General for West Africa	50.0	36.0	57.0	10.0	10.0	10.0

	Vacancies as at October 2003			*Vacancy rates used in the budget proposals*		
	International	*Local*	*Overall*	*International*	*Local*	*Overall*
K. United Nations Representative to the International Advisory and Monitoring Board	n/a	n/a	n/a	0	0	0
L. United Nations Peace-building Support Office in Guinea-Bissau	6.7	8.5	10.7	8.0	8.0	8.0
M. United Nations Office in Burundi	17.0	0	8.0	12.0	5.0	8.4
N. United Nations Peace-building Support Office in the Central African Republic	4.2	0	1.8	12.0	0	5.0
O. United Nations Tajikistan Office of Peace-building	0	5.3	3.6	5.0	5.0	5.0
P. United Nations Assistance Mission for Iraq	85.0	99.0	94.7	20.0	15.0	16.5
Q. United Nations Assistance Mission in Afghanistan	32.0	13.3	17.7	20.0	10.1	13.3
Electoral component	36.0	23.2	21.7	25.0	25.0	25.0

n/a: not applicable.

United Nations A/58/7/Add.19

General Assembly

Distr.: General
5 December 2003

Original: English

Fifty-eighth session
Agenda item 121
Proposed programme budget for the biennium 2004-2005

Administrative and financial implications arising from the report of the Standing Committee of the United Nations Joint Staff Pension Board

Twentieth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the administrative and financial implications arising from the report of the Standing Committee of the United Nations Joint Staff Pension Board (A/C.5/58/27). In accordance with the purpose of rule 153 of the rules of procedure of the General Assembly, the report of the Secretary-General identifies financial implications that would arise for the regular budget should the General Assembly adopt the recommendations submitted to it in the report of the Standing Committee (A/58/214). The report of the Advisory Committee on the report of the Standing Committee is contained in document A/58/7/Add.9.

2. As indicated in the report of the Secretary-General, the report of the Standing Committee identifies an amount of $14,045,800 (at 2004-2005 rates) as the overall requirement for the United Nations share, including the funds and programmes, in the administrative and audit costs related to the Fund (A/C.5/58/27, para. 4). However, on the basis of the latest information available, it appears that the date of relocation of the Fund to new premises will be delayed. On that basis, and bearing in mind the likelihood of the provision by the prospective landlord of a rent-free period and a lower rental rate than previously calculated, requirements for the rental of premises would be reduced, bringing the overall requirement for the United Nations to $13,055,700 (ibid., para. 8).

3. As reflected in section 1, paragraph 1.26, of the proposed programme budget for the biennium 2004-2005, the distribution would require that an estimated 58 per cent of overall United Nations share would be attributable to the regular budget, with the balance to be reimbursed by the funds and programmes. However, as noted in the report of the Secretary-General (A/C.5/58/27), the latest data on the number of participants in the Fund, against which the percentage is derived, indicates that

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the regular budget percentage would need to be revised to 65 per cent (ibid., para. 8). **The Committee notes with concern that such a wide variance has emerged since the time of preparation of the proposed programme budget. The Committee trusts that, in future, care will be taken to ensure that these statistics are carefully monitored.** The Secretary-General calculates that the application of the revised application rate would bring the regular budget share to $8,486,200 (at 2004-2005 rates), or $1,589,900 over the amount of $6,896,300 budgeted in the proposed programme budget for the biennium 2004-2005 (ibid., para. 9)

4. Upon enquiry, the Advisory Committee was informed that the calculations in the report of the Secretary-General did not take into account the Committee's recommended reduction of $394,100 in the overall budget estimates for the administrative expenses of the Fund for 2004-2005 (see A/58/7/Add.9, para. 28). The Committee was informed that, as the full amount of recommended reduction related to staff costs, it was subject to a one-third/two-thirds cost-sharing formula between the United Nations and the Fund. Accordingly, the United Nations share of the reduction would amount to $131,400, of which $85,400, or 65 per cent, would be applicable to the regular budget. Thus, the estimated overall requirements for the United Nations would amount to $12,924,300 (at 2004-2005 rates), of which the regular budget share would amount to $8,400,800, or $1,504,500 over the amount budgeted under section 1, Overall policy-making, direction and coordination, of the proposed programme budget for the biennium 2004-2005.

5. **The Advisory Committee recommends that the Fifth Committee inform the General Assembly that, should it approve the recommendations of the Standing Committee of the United Nations Joint Staff Pension Board, taking into account the effect of the Advisory Committee recommendations thereon, overall requirements of $12,924,300 (at 2004-2005 rates) would arise for the United Nations, of which the regular budget share would amount to $8,400,800 and the balance of $4,523,500 would be reimbursed by the United Nations Development Programme, the United Nations Population Fund and the United Nations Children's Fund to the United Nations. Accordingly, an additional appropriation of $1,504,500 (at 2004-2005 rates) would be required under section 1, Overall policy-making, direction and coordination, of the proposed programme budget for the biennium 2004-2005, subject to the procedures established by the General Assembly in its resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987, for the use and operation of the contingency fund. The Committee was informed that potential charges against the contingency fund for the biennium 2004-2005 as at 21 November 2003 exceeded the level approved by the Assembly for the fund for the biennium. The Committee commented on this matter in its report dated 24 November 2003 (A/58/7/Add.13, para. 8).**

United Nations A/58/7/Add.20

General Assembly

Distr.: General
5 December 2003

Original: English

Fifty-eighth session
Agenda items 121 and 110

Proposed programme budget for the biennium 2004-2005

Advancement of women

Future operations of the International Research and Training Institute for the Advancement of Women

Programme budget implications of draft resolution A/C.3/58/L.36

Twenty-first report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/C.5/58/24), in accordance with rule 153 of the rules of procedure of the General Assembly, on the programme budget implications of draft resolution A/C.3/58/L.36, which concerns the future operations of the International Research and Training Institute for the Advancement of Women (INSTRAW). During its consideration of the matter, the Committee met with representatives of the Secretary-General.

2. Under the terms of operative paragraph 5 of draft resolution A/C.3/58/L.36, the General Assembly would decide to continue to provide its full support to the current efforts to revitalize the International Research and Training Institute for the Advancement of Women and, in this regard, to provide funds complementary to the existing ones, if needed, to ensure that the Institute will have adequate resources to function for a period of one year and to prepare the report requested in resolution 57/311 of 18 June 2003, in the light of the delay in appointing a Director to implement a feasible work programme and fund-raising activities.

3. Paragraphs 4 to 7 of the statement of the Secretary-General provide background information on the implementation of the recommendations of the Working Group on the future operations of INSTRAW (A/57/330 and Add.1) endorsed by the General Assembly in its resolution 57/175 of 18 December 2002. In the same resolution, the Assembly requested the Secretary-General to implement the measures recommended by the Working Group in that regard. The Committee requested information as to the role of the Department of Economic and Social Affairs in the activities of the Institute.

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4. In accordance with the statute of INSTRAW, the Department of Economic and Social Affairs, in close cooperation with the Office of Programme Planning, Budget and Accounts and the Office of Human Resources Management, assists in providing financial, personnel and administrative support to the Institute. The Committee was informed that the Department has continued its efforts to provide substantive advice and administrative support to INSTRAW to sustain its operational viability through the implementation of the programme of work in collaboration with the Working Group on the future operations of INSTRAW. This has included meeting with donors and interested Member States, conducting an extensive search for a suitable candidate for the post of Director and other Professional posts and advising on their selection. The Department of Economic and Social Affairs carries out substantive reviews and peer assessments of the papers prepared by INSTRAW on gender and financing for development, the roles and responsibilities of men in women's sexual and reproductive health and the gender gap in information and communication technologies. The Department has been promoting the Institute's participation in inter-agency activities and joint activities. During the forty-seventh session of the Commission on the Status of Women, held in New York in March 2003, INSTRAW, in cooperation with the Office of the Special Adviser on Gender Issues and Advancement of Women and the Division for the Advancement of Women of the Department of Economic and Social Affairs, launched its publication entitled *Partners in change: working with men to end gender-based violence*.

5. The Advisory Committee notes that, including the amount of $500,000 approved by the General Assembly in its decision 57/580 of 20 December 2002 and resolution 57/311 of 18 June 2003, as a charge against the contingency fund, to finance the core activities of INSTRAW in 2003, total projected resources available to INSTRAW would amount to $735,600, as at 31 December 2003 (see A/C.5/58/24, paras. 5, 8 and 9).

6. Activities to be undertaken by INSTRAW in 2004 are described in paragraph 10 of the statement of the Secretary-General. Paragraphs 11 to 13 of the statement contain information on the resource requirements. The Secretary-General estimates that the costs of INSTRAW for the period from 1 January to 31 December 2004 would amount to $970,300 for the continuation of the core activities of the Institute, including salaries for nine current posts (1 D-2, 1 P-3, 2 P-2/1 and 5 General Service). It is estimated that the projected INSTRAW Trust Fund balance of $735,600, as at 31 December 2003, would enable the Institute to continue its operations until the end of September 2004. It is stated in the report of the Secretary-General that, because it is not possible to determine with any certainty whether the Institute would have additional voluntary contributions that would allow it to function beyond September 2004, an additional amount of $234,700 would be required to maintain it until the end of 2004.

7. The Advisory Committee recalls that the level of expenditures realized for the period from 1 January to 30 September 2003 was lower than expected and that, at the time of its review of the report of the Secretary-General on the financial situation of INSTRAW (A/58/426), a Director of the Institute had not yet been appointed (see A/58/547, para. 2). In this connection, the Committee requested information on the status of vacant posts at INSTRAW. The information provided was not sufficient to enable the Advisory Committee to reach a conclusion as to the level of expenditure on posts for 2004.

8. **Under the circumstances, the Advisory Committee recommends that, should the General Assembly adopt draft resolution A/C.3/58/L.36, the Fifth Committee inform the General Assembly that, contingent upon the availability of additional voluntary contributions to the INSTRAW Trust Fund in 2004, there is a potential additional requirement of up to $234,700 for the biennium 2004-2005 over and above the regular budget resources proposed under section 9, Economic and social affairs, of the proposed programme budget for the biennium 2004-2005. In view of the uncertainty of the financial requirements, the Committee recommends that this matter be addressed again at a resumed session. This will allow time for the staffing situation to be clarified and for the new Director to pursue and report upon fund-raising activities.**

United Nations A/58/7/Add.21

General Assembly

Distr.: General
5 December 2003

Original: English

Fifty-eighth session
Agenda items 117 (b) and 121

Human rights questions: human rights questions, including alternative approaches for improving the effective enjoyment of human rights and fundamental freedoms

Proposed programme budget for the biennium 2004-2005

Ad Hoc Committee on a Comprehensive and Integral International Convention on the Protection and Promotion of the Rights and Dignity of Persons with Disabilities

Programme budget implications of draft resolution A/C.3/58/L.78

Twenty-second report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/C.5/58/25) in accordance with rule 153 of the rules of procedure of the General Assembly on the budget implications of draft resolution A/C.3/58/L.78, concerning the Ad Hoc Committee on a Comprehensive and Integral International Convention on the Protection and Promotion of the Rights and Dignity of Persons with Disabilities. During its consideration of the matter, the Committee met with representatives of the Secretary-General.

2. As indicated in paragraph 2 of the statement, under the terms of paragraphs 3 and 6 of draft resolution A/C.3/58/L.78, the General Assembly would endorse the Ad Hoc Committee's decision to establish a Working Group, with the aim of preparing and presenting a draft text that would be the basis for negotiations on the draft convention in the Ad Hoc Committee, taking into account all contributions, and would decide also that the Ad Hoc Committee should hold, within existing resources, two sessions in 2004, each of a duration of 10 working days, prior to the fifty-ninth session of the General Assembly.

3. Activities related to the implementation of the request are described in paragraphs 3 and 4 of the statement of the Secretary-General. Paragraph 5 of the statement contains information on the resource requirements. The Secretary-General estimates that the costs for conference services for the Working Group of the Ad

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Hoc Committee and the additional session of the Ad Hoc Committee would amount to $763,500, at full cost. This would represent additional requirements over and above the resources proposed under section 2, General Assembly affairs and conference services ($734,100), and section 29D, Office of Central Support Services ($29,400), of the proposed programme budget for the biennium 2004-2005.

4. The Advisory Committee notes that, in paragraph 7 of the statement, it is indicated that the potential for absorption of the above requirements, within the existing capacities for conference servicing and documentation, would be reviewed within the context of the consolidated statement of programme budget implications and revised estimates falling under the guidelines for the contingency fund. The Committee points out that, in accordance with the current practice for the preparation of statements of programme budget implications, the potential for absorption of the above requirements should have been reviewed in the context of the statement of programme budget implications in document A/C.5/58/25.

5. **With regard to the proposed action requested in paragraph 8 of the statement, the Advisory Committee recommends that the Fifth Committee inform the General Assembly that, should it adopt draft resolution A/C.3/58/L.78, additional requirements of up to $763,500 would arise and would need to be considered for appropriation in the context of the review of the consolidated statement of programme budget implications and the revised estimates falling under the guidelines for the contingency fund, scheduled to be undertaken towards the end of the first part of the fifty-eighth session of the General Assembly.**

United Nations A/58/7/Add.22

General Assembly

Distr.: General
5 December 2003

Original: English

Fifty-eighth session
Agenda items 117 (c) and 121

Human rights questions: human rights situations and reports of special rapporteurs and representatives

Proposed programme budget for the biennium 2004-2005

Situation of human rights in Myanmar

Programme budget implications of draft resolution A/C.3/58/L.68/Rev.1

Twenty-third report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/C.5/58/26) in accordance with rule 153 of the rules of procedure of the General Assembly, on the budget implications of draft resolution A/C.3/58/L.68/Rev.1, which concerns the situation of human rights in Myanmar. The Committee also had before it the information provided in paragraphs 12 to 17 of A/C.5/58/20, on the requirements for the Special Envoy of the Secretary-General for Myanmar. During its consideration of the matter, the Committee met with representatives of the Secretary-General.

2. As indicated in paragraph 2 of the statement submitted by the Secretary-General, under the terms of paragraph 7 of draft resolution A/C.3/58/L.68/Rev.1, the General Assembly would request the Secretary-General to: continue to provide his good offices and to pursue his discussions on the situation of human rights and the restoration of democracy with the Government and the people of Myanmar, including all relevant parties to the national reconciliation process in Myanmar; to report to the General Assembly at its fifty-ninth session and to the Commission on Human Rights at its sixtieth session on the progress made in the implementation of the resolution; give all necessary assistance to enable his Special Envoy to implement the resolution and, in the context of the facilitation role, to explore any and all possibilities for discharging his mandate fully and effectively; and continue to give all necessary assistance to the Special Rapporteur of the Commission on Human Rights on the situation of human rights in Myanmar to enable him to discharge his mandate fully.

3. The activities related to the implementation of the request are described in paragraphs 4 to 6 of the statement. Paragraphs 7 and 6 contain information on the

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estimated resource requirements. The Advisory Committee notes that the Secretary-General estimates the costs of continuing the efforts of the good offices of the Secretary-General through his Special Envoy for Myanmar at $245,900 for a one-year period (1 January to 31 December 2004). Information is provided in the annex to the statement, including the provision of salary for the Special Envoy, at the rate applicable on a when-actually-employed basis, and for the salaries and common staff costs of one local staff, who would provide support to the Special Envoy.

4. The Advisory Committee further notes from paragraph 8 of the statement that the mandate of the Special Rapporteur falls under the category of activities considered to be of a perennial nature and that provisions for activities of that nature have already been included in the proposed programme budget for 2004-2005, under section 24, Human rights.

5. **With respect to the action required from the General Assembly, as proposed in paragraphs 9 and 10 of the statement submitted by the Secretary-General, the Advisory Committee recommends that the Fifth Committee inform the General Assembly that, should it adopt draft resolution A/C.3/58/L.68/Rev.1, a provision in the amount of $245,900 would be required for the period from 1 January to 31 December 2004 for the continuation of the efforts of the good offices of the Secretary-General relating to the situation of human rights in Myanmar. Those requirements would be charge against the provision of $163.2 million proposed for special political missions under section 3, Political affairs, of the proposed programme budget for 2004-2005 (see also the report of the Advisory Committee on estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council (A/58/7/Add.18, para. 5)).**

United Nations A/58/7/Add.23

General Assembly

Distr.: General
10 December 2003

Original: English

Fifty-eighth session
Agenda items 113 and 121

Promotion and protection of the rights of children

Proposed programme budget for the biennium 2004-2005

Office of the Special Representative for Children and Armed Conflict

Programme budget implications of draft resolution A/C.3/58/L.28

Twenty-fourth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly on the programme budget implications of draft resolution A/C.3/58/L.28, as orally revised (A/C.5/58/28).

2. Under the terms of the draft resolution, as orally revised, the General Assembly would decide that the activities under the mandate of the Special Representative for Children and Armed Conflict should be supported through regular budget funding. The Office of the Special Representative has been financed entirely by voluntary contributions since its inception. As at the end of November 2003, the balance of extrabudgetary resources available for the Office amounted to $2,123,000, which the Secretary-General estimates could allow the financing of the operations of the Office approximately through July 2004 (ibid., paras. 7 and 8).

3. The Advisory Committee notes that the statement of programme budget implications submitted to the Third Committee (A/C.3/58/L.84), which is mentioned in paragraph 1 of the statement by the Secretary-General, does not in fact contain information on requirements for possible estimates of expenditure arising from the draft resolution. Rule 153 of the rules of procedure of the General Assembly states that "no resolution involving expenditure shall be recommended by a committee for approval by the General Assembly unless it is accompanied by an estimate of expenditures prepared by the Secretary-General".

4. In this connection, the Advisory Committee takes note of paragraph 10 of the statement by the Secretary-General, which indicates that, based on the actual

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number and level of the staff of the Office for the last three years and on the related pattern of non-post expenditures, it is estimated that the requirements for the Office of the Special Representative for Children and Armed Conflict to continue the same scope and nature of programme of activities as at present would amount to $6,053,700 for the biennium 2004-2005. The Committee does not consider this information a statement of programme budget implications in accordance with the requirements of rule 153 of the rules of procedure of the General Assembly. A breakdown of estimated requirements should be provided to the Fifth Committee for its consideration of the matter.

5. In his statement, the Secretary-General recalls that in section V of its resolution 57/190 of 18 December 2002, the General Assembly requested him to undertake a comprehensive assessment of the scope and effectiveness of the United Nations system response to the issue of children affected by armed conflict, including recommendations for strengthening, mainstreaming, integrating and sustaining these activities, and to submit his report to the Assembly for its consideration at its fifty-eighth session (A/C.5/58/28, para. 11). The statement by the Secretary-General indicates that it is anticipated that the report will be submitted in the spring of 2004 and that it may have an impact on the programme of work and mode of operation of the Office (ibid.). Given the balance of extrabudgetary funds available to the Office, as noted in paragraph 2 above, the Secretary-General therefore proposes that the issue of regular budget funding emanating from draft resolution A/C.3/58/L.28 be considered by the Assembly in the context of its deliberations on the forthcoming report in the spring of 2004 (ibid., para. 13).

6. **In any case, whether or not the activities under the mandate of the Special Representative should be funded under the regular budget is a policy decision to be made by the General Assembly. Should the decision be taken to do so, the General Assembly will also have to decide whether to address the question of resource requirements now or at its resumed fifty-eighth session, in the spring of 2004, in the context of its consideration of the report to be submitted by the Secretary-General in pursuance of section V of Assembly resolution 57/190.**